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ABSTRACT

Narrative text, tables, maps, and photographs present an overview of the Appalachian Regional Commission's (ARC) activities in fiscal year 1980, past achievements, and future goals. Major accomplishments of 1980 include: allocation of almost $13 million for 1,023 nonhighway projects; completion or construction of almost 60% of the Appalachian Development Highway System; sponsorship of a regional energy conference on the increased use and production of coals; and Appalachian governors voting to allocate priority funding for projects in the areas of greatest need (infant mortality, basic education skills, energy, and housing). Part I highlights regional history, ARC structure, and achievements over the past 16 years in transportation, enterprise development, health, education, child development, housing, community development, energy, environment, natural resources, and finances. Part II examines fiscal 1980 and presents maps, county population change data, program categories, amounts, and sources of funding for each of the 13 Appalachian states. A directory provides local development district addresses. (NEC)

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1980 Annual Report

Appalachian Regional Commission

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1980 Annual Report
Appalachian Regional Commission

1666 Connecticut Avenue, N.W.
Washington, D.C. 20235

Appalachian Regional Commission

September 30, 1980

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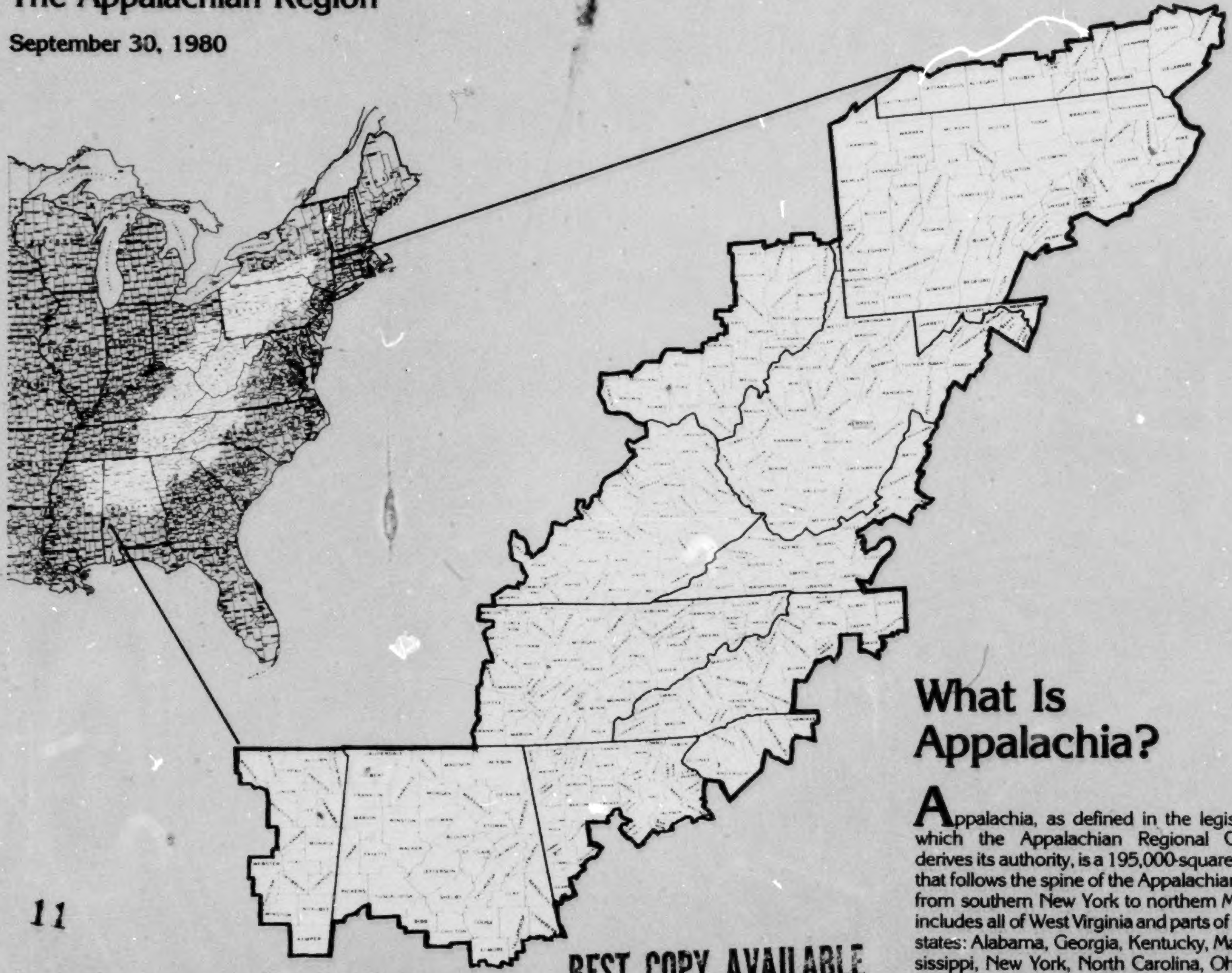
Cover photograph: A Norfolk and Western Railway Company coal train passes over a trestle at Bull Run near St. Paul, in Wise County, Virginia. Photographer: Bill Blanton.

The Appalachian Region

September 30, 1980



What Is Appalachia?

Appalachia, as defined in the legislation from which the Appalachian Regional Commission derives its authority, is a 195,000-square-mile region that follows the spine of the Appalachian Mountains from southern New York to northern Mississippi. It includes all of West Virginia and parts of twelve other states: Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee and Virginia.

APPALACHIAN REGIONAL COMMISSION
1666 Connecticut Avenue, N.W.
Washington, D.C. 20235

March 31, 1981

The President
The White House
Washington, D.C.

Dear Mr. President:

Pursuant to Section 304 of the Appalachian Regional Development Act of 1965, we respectfully submit to you, for transmittal to the Congress, a report on the activities carried out under this Act during Fiscal Year 1980.

The report outlines the work of the Appalachian Regional Commission with the thirteen states that make up the Appalachian Region.

Respectfully yours,

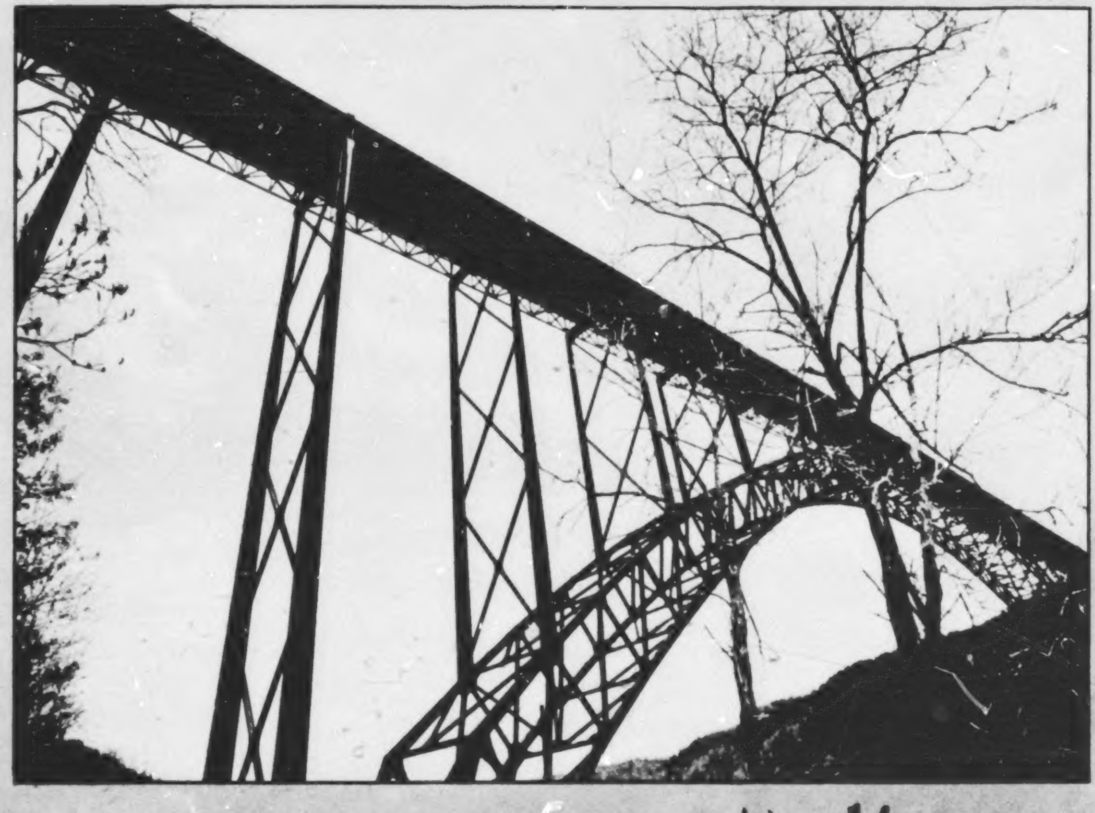
Al Smith
ALBERT P. SMITH, JR.
Federal Cochairman

LAMAR ALEXANDER
Governor of Tennessee
States' Cochairman

Preface

Each year the Appalachian Regional Commission has submitted to the President and Congress, as required by law, an annual report on its fiscal activities, expenditures and accomplishments. This year the Commission is adding to the annual report a summary of the entire record of ARC's 16 years. Last year's cumulative 15-year history has been updated to cover the changes that occurred in fiscal year 1980, so that this report constitutes a comprehensive history of ARC to the present date.

Part I describes, program by program, the plan that ARC has followed in attempting to revitalize the Region's economic and social development. Part II examines fiscal 1980. The report, as a whole, attempts to describe how the Appalachian program has evolved over the years, how program priorities have changed in response to changing regional and national conditions, and what challenges remain to be met if the Commission is to achieve its ultimate goal of a healthy, thriving economy that is capable of contributing its fair share to the nation's economy.



Robert Rathe

The New River bridge in Fayette County, West Virginia, completed in 1977, is the largest single road project of the Appalachian Development Highway System.

Johnstown, Pennsylvania

Part I

Highlights of 16 Years

On the Tennessee-North Carolina border

History of the Region

Appalachia is a region of contradictions. Even the adjectives so often used to describe it are paradoxical: rich yet poor; exploited yet underdeveloped; scarred yet beautiful. To understand this paradox it is first necessary to delve a bit into Appalachia's history and the nature of its people. Only then is it possible to understand the socioeconomic evolution that led to its national emergence as "a pocket of poverty" in the richest nation in the world and, ultimately, to an experiment in government called the Appalachian Regional Development Program.

Appalachia—The Place

The Appalachian Region, as defined by the Appalachian Regional Development Act (ARDA) as amended, includes all of West Virginia and part of New York, Pennsylvania, Maryland, Virginia, Ohio, Kentucky, Tennessee, North and South Carolina, Georgia, Alabama and Mississippi. It incorporates 397 counties in the 13 states, covers a total of 195,000 square miles and has a current population of over 20 million.

Its topography is one of rolling hills and high plateaus to the north and east; sharply rising mountains and deep, narrow valleys in the central portion; and more rolling hills dropping off to plains to the south.

Appalachia is a land rich in natural resources. Eight of the 13 states have coal deposits estimated at 113.3 trillion short tons. Natural gas and deposits of many other minerals are among its other natural resources. Much of the Region is heavily forested; Appalachian hardwoods are famous throughout the country. Water is generally abundant. Verdant in summer, the Region's higher altitudes accumulate enough snow in winter to attract year-round tourism. Few other regions in the country, if any, are so richly endowed.

Thrust up between the heavily populated, industrial East Coast and the thriving Midwest, Appalachia, with abundant resources and a prime geographic location, theoretically should have benefited richly by doing business with its neighbors on both sides. In reality, however, Appalachia existed for generations as a region apart, isolated physically and culturally by its impenetrable mountains.

Bill Blanton

Hindman, Kentucky, is located in the heart of Central Appalachia.

How It Came About

From the time the first wave of pioneers challenged the mountains in the early 17th century until the Industrial Revolution hit America, the Region remained largely unchanged. The westward-bound who decided to stay in the mountains did so because the rugged hills suited their need for "elbow room"; the game and small patches of tillable land provided ample sustenance. Attracted by the self-sufficiency of mountain life, they settled in tiny hollows and long narrow valleys. Here they weren't answerable to any government or hemmed in by too many people too close at hand.

Neither the revolt against England nor the Civil War managed to change their lives significantly. While many fought the war for independence, few sought active roles in the new family of states. Later, when the states chose up sides for the Civil War, so did the mountain people—but with some unexpected results.

Appalachians, like the rest of the people in the country, were divided in their allegiance, some sympathetic to the North, others to the South. Slavery was not, however, the root cause for the division between the highlands on the one hand and the lowlands to the east and west of the mountain chain, on the other. Neither was it the prime cause for such moves as West Virginia's breaking away from Virginia to seek separate status as a state. Although the concept of slavery was alien to the nature of the mountaineer, the real basis for the schism was socioeconomic and political. The mountains imposed an economy of scarcity and a hardy lifestyle that nurtured independence and aversion to rules and regulations. The result was an economic, political and social structure vastly different from the interdependent and relatively prosperous society of the flatlands.

It wasn't until the Industrial Revolution in the late 1800s that Appalachia began to undergo significant socioeconomic change. And the reason was coal. Although coal had long been known to exist in the Region (it had in fact been used by Indians before the white man arrived), its extensive use as a source of energy started only after the Civil War. With the coming of the Industrial Revolution, coal became the fuel that fired the furnaces of the nation.

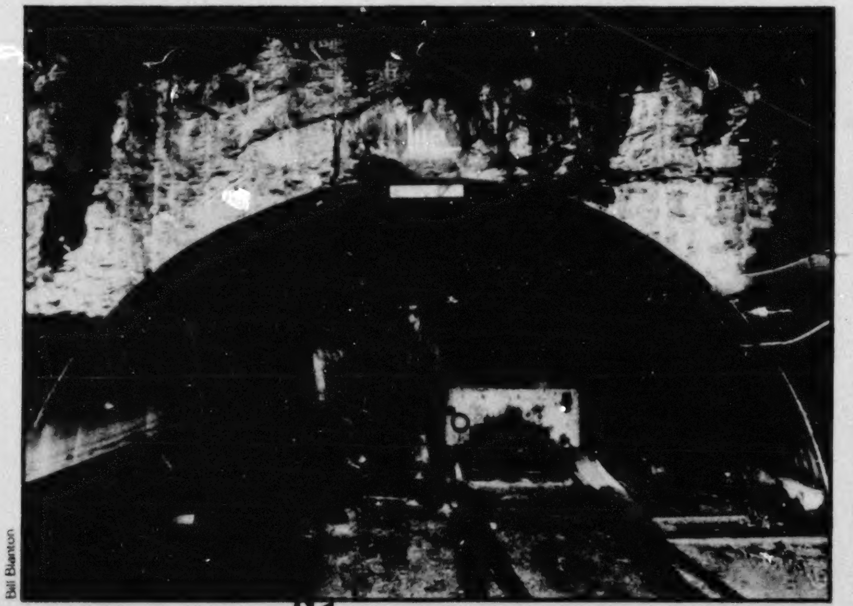
Unfortunately, the mountain people didn't realize the implications of their mineral wealth. Many sold their land and/or mineral rights for pennies an acre to "outsiders." Unsophisticated in the ways of the new industrial society, Appalachians became not the entrepreneurs but the laborers.

The mines were welcomed nonetheless, for the population, though widely scattered, had outgrown the food supply. Mining coal was a needed alternative to squeezing a living from the depleted land.

Coal quickly became a major industry, particularly in the Central Appalachian mountains. But because the industry was so sensitive to fluctuations in the national economy, it also quickly developed a boom-and-bust cycle. Most of the industry was controlled by "outside" interests, as well, so that little of the profit remained in the Region. When oil flooded the American marketplace in the 1950s, displacing coal as the nation's primary source of energy, Appalachia found itself faced with the prospect of a prolonged economic "bust."

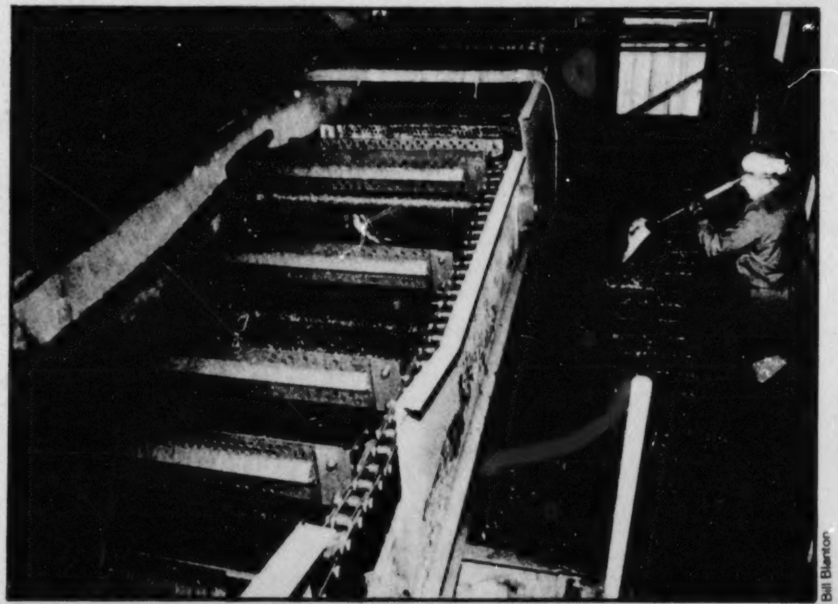
Although coal was integral to the regional economy, Appalachia was not economically homogeneous throughout. There were differences enough to give the subregions of Northern, Central and Southern Appalachia each a different economic character. When the coal industry appeared to bottom out in the 1950s, the results might not have been so devastating had it not been for simultaneous downturns in other segments of the overall regional economy.

Miners are ready to board shuttle cars for the trip into the Holton Mine of the Westmoreland Coal Company in Big Stone Gap, Virginia.



Bill Blanton

In the Bullitt preparation plant of the Westmoreland Coal Company in Big Stone Gap, coal is being washed and separated into various sizes.



Bill Blanton

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Central Appalachia (the rich coal fields of Kentucky, southern West Virginia, southwestern Virginia and eastern Tennessee) was hardest hit by the switch from coal to oil because of its unique dependence upon mining. The most rugged, hard-to-reach part of the Region, Central Appalachia had never been able to build the economic diversity needed to withstand periodic downturns in its major industry. As a consequence, when oil overtook the market, Central Appalachia's economy plummeted.

At the same time, Northern Appalachia began to feel the full impact of its economy's failure to keep pace with changing times and technologies. The New York, Pennsylvania, Maryland, Ohio and West Virginia counties that make up Northern Appalachia had for years produced capital goods for the industrialized Northeast. Capital goods production (heavy machinery, tools, etc.), along with such intermediate industries as steel and, to a lesser degree, coal, were the major components of the subregional economy.

However, by the 1950s, the manufacturers were no longer competitive with newer capital goods producers in other parts of the nation. Both steel and coal production were down, too. Reduced production in all three areas—capital goods, steel and coal—paralyzed the railroads which had grown up in support of them. The economic decline in Northern Appalachia, plus the tantalizing prospects of cheaper nonunion labor and a more moderate climate, caused more and more potential investors to favor the South.

Southern Appalachia (north Georgia, Alabama, Mississippi, western North and South Carolina and parts of Tennessee and Virginia), on the other hand, had long depended upon agriculture as the mainstay of its subregional economy. Agriculture, however, had grown increasingly marginal until it, too, slipped into serious decline. The combination of foreign competition and decreased demand slowed textile production, which was Southern Appalachia's other important industry.

So coal alone was not responsible for the economic depression that beset the Region. Rather, it was the coal "bust" in combination with significant and concurrent downturns in all major segments of the subregional economies that plunged Appalachia into so prolonged and devastating a decline.

And there was the one factor that strapped the economy of the entire Region: isolation. The same narrow twisting roads that limited Appalachians' social and cultural horizons and their access to education, health care and other vital services, also discouraged new industrial development of any kind.

The states, their modest treasuries drained by unemployment and enormous deficits in all human services, could barely afford to repair the roads pitted and broken by heavy coal trucks.

The Interstate Highway System that was to link the nation coast to coast skirted Appalachia in favor of connecting more densely populated urban areas. To add insult to injury, the states couldn't afford to build those Interstates which did cross the Region. The cost—many times the national per-mile average—was well beyond the states' means. Railroads were on the decline nationwide, and commercial air service, growing rapidly almost everywhere else, skipped over the Region.

By 1960, it looked as if oil had sounded the death knell for coal and, in doing so, had doomed Appalachia to an economic depression from which it might never recover.

The Plight in 1960

Any attempt to describe the plight of Appalachia in the year 1960 falls short of the human reality. There are, of course, statistics. Only 8.7 percent of the families in the Region had incomes over $10,000 compared to 15.6 percent for the rest of the nation. Per capita income was 35 percent lower in Appalachia. About one-third of its population lived below the level of poverty.

During the 1950s, mining and agriculture in Appalachia had released half of their combined work forces—614,000 people. Recorded unemployment was 7.1 percent (5 percent for the rest of the nation). But the figures did not tell the whole story. Something called "hidden unemployment"—people so long without work and others so discouraged by the lack of opportunity that neither group sought jobs—effectively increased the number of unemployed to an estimated 700,000.

Bill Blanton

Long, narrow valleys like this one in Dickenson County, Virginia, helped isolate the Region from neighboring states to the east and west.

Poverty ran deeper than any unemployment rate could reflect, however. It touched every aspect of human existence. In 1960 barely one-third of all Appalachian adults had completed high school (one-half for the rest of the nation); only five out of every 100 adults had completed college (eight per 100 for the rest of the nation).

Health indicators placed the Region a decade, perhaps even further, behind the accepted level of health care. Infant mortality dramatically exceeded the national average. Appalachia had far fewer doctors per capita than the rest of the country, and these doctors were concentrated in the Region's few urban areas. That left the rural residents—the vast majority of Appalachia's 16 million people—with little or no access to professional medical care.

People—among them many of the best educated, most skilled, the young and the able-bodied—had left the Region in large numbers. To many who joined the exodus, cities like Toledo and Detroit meant survival but not contentment. While many did find work and a new life, others found city life alien, unwelcoming. They were generally Central Appalachians, proud mountain people whose environmental and cultural heritage made them oddities in an urban setting.

This was Appalachia in 1960, a year when the rest of the nation was enjoying remarkable prosperity and growth. Fortunately, it also was the year that America came face to face with the poverty it didn't know existed in a place it had ignored for generations.

The Turning Point

Despite two government studies (one as early as 1902 and another in 1935) on the Region's increasingly precarious economy, despite the individual efforts of Appalachian governors, Congressmen and other officials, the Region had never been able to stimulate the outside support needed to generate workable solutions to its growing problems. When Appalachia did finally capture the nation's attention, it happened almost by accident.

In 1960, the Presidential hopefuls waged an intense campaign in West Virginia. The national television and press that followed the campaign into the mountains gave America its first intimate look at widespread poverty in the richest nation in the world.

Their interest piqued, the press delved deeper, and it soon became apparent that West Virginia was not alone. The same conditions prevailed in parts of Kentucky, Tennessee, Pennsylvania and several other states which shared a common piece of geography called Appalachia.

Recognizing the strength of numbers, the Appalachian governors united under the banner of Appalachia and, in 1961, released an updated report on the Region's problems. Under the leadership of Appalachian representatives, notably West Virginia Senator Jennings Randolph, the Congress exercised increasing pressure for national action. Touched by what he had seen personally during his campaign and prompted by the Appalachian governors and Congressmen, President Kennedy appointed the President's Appalachian Regional Commission (PARC) to assess the Region's problems and to recommend ways to solve those problems.

Following an intensive investigation of the Region's socioeconomic conditions, PARC submitted its final report and recommendations to the President in early 1964. Both the legislative and executive branches acted quickly. Using the PARC report as its guide, Congress translated the Commission's recommendations into legislation creating the first large-scale regional economic development program ever undertaken jointly by the states involved and the federal government.

In March of 1965, less than a year after PARC submitted its report, President Johnson signed the original Appalachian Regional Development Act. It was an historic occasion marking the beginning of an experiment in government that has, in 16 years, established a standard for regional economic development based upon assured participation at all levels of government.

National Archives

President Lyndon Johnson signs the Appalachian Regional Development Act in March 1965. Directly behind the President stands Senator Jennings Randolph of West Virginia, one of ARC's founding fathers.

Population, Income and Employment Changes

The Appalachia the PARC examined in 1964 is in many ways different from the Region of 1980. While significant disparities do still exist between the Region and the nation, the past 16 years reflect an increasing number of positive changes, among them the reversal of the outmigration trend prevalent during the 1950s and 1960s.

Population. In the 1950-60 decade, the Region lost one-eighth of its population by outmigration to other areas. While population growth in Appalachia was only one-fifth the national rate between 1960 and 1970, the Region gained 490,000 people, based upon a natural increase of 1.6 million and net outmigration of 1.1 million. In the 1970s, migration reversed to a net inmigration of nearly 1.1 million, while natural increase dropped to about 945,000, producing a total population growth four times that of the 1960s.

The Region's final 1980 Census population was 20,234,335, a gain of 2,017,378 since 1970. The Appalachian population growth in this decade was the largest of any recent decade; the rate of growth (11.1 percent) was just under the national rate of 11.4 percent.

Among the subregions, Southern Appalachia has had the largest growth of population in each decade, accelerating from 10 percent gain in the 1960s to nearly 19 percent in the 1970s. Northern Appalachia, with the largest total population, had the slowest growth, only 0.3 percent in the 1960s, and 4 percent in the past decade. Central Appalachia lost 7 percent in the 1960s, but reversed to the highest growth rate, 21 percent, in the 1970s. The shift in components is shown in the table at right.

Kenneth Murray

The Ferro Manufacturing Company is located in an ARC-funded industrial park in Pikeville, Tennessee.

Table 1
Estimated Components of Percentage Shift in Population Changes, Appalachian Region and United States, 1979-80 and 1960-70

Growth Component	Appalachian Region 1970-80	Appalachian Region 1960-70	United States 1970-80	United States 1960-70
Natural Increase	5.2%	9.0%	6.9%	11.6%
Net Migration	5.9	-6.2	4.5	1.8
Total Change	**11.1%**	**2.8%**	**11.4%**	**13.4%**

In recent years, the Appalachian birth rate has been lower, and the death rate higher, than the national average. Appalachian net migration almost precisely reversed, with the inmigration of the 1970s estimated (on a preliminary basis) as only about 40,000 less than the total estimated number of outmigrants in the 1960s (on a net basis).

Income. Appalachian per capita total personal income increased from 78 percent of the national average in 1965 to 84 percent in 1979 (the latest year for which county figures are available). Central Appalachia, the subregion with the lowest per capita personal income level, experienced the most rapid increase—from 52 to 71 percent of the U.S. average over the thirteen years, while Southern Appalachian per capita personal income increased from 73 to 81 percent of the national level. Northern Appalachia, the subregion with the highest per capita personal income level, posted only a marginal gain—from 87 to 89 percent of the national average.

A sharp decline in poverty population has accompanied this relative rise of incomes, from 31 percent of the household population in 1960 to approximately 15 percent in 1976, a drop in absolute number from 5.4 to 2.8 million persons. Despite this improvement, which affected all subregions, Central Appalachia's poverty levels were estimated at over twice the national average in 1976, and the Region contained some of the nation's largest pockets of poverty.

Employment and Unemployment. In 1980, the average civilian unemployment in the Region jumped to 8.4 percent from its 1979 level of 6.5 percent, an increase almost half again as much as the national change from 5.8 percent in 1979 to 7.1 percent in 1980. There were 733,000 unemployed persons in Appalachia—over 9.8 percent of the nation's total, although the Region's population was only 8.9 percent of the nation's. Employment actually dropped by about 50,000 in Appalachia between 1979 and 1980, while nationally it rose by only 325,000. The drop in Appalachian employment is the first since the major recession year 1975, when the national total fell by 1.15 million from the preceding year and Appalachian employment dropped by 173,000 (from 1974 to 1975).

Between 1979 and 1980, all Appalachian state areas and subregions had increasing unemployment rates; among county groups, Central Appalachian metropolitan counties and Southern Appalachian urban and rural counties worsened most rapidly. Metropolitan counties in the Region had unemployment rates below 8 percent (only 7 percent in Southern Appalachia), while Central Appalachian rural counties averaged over 10 percent.

The average Appalachian unemployment rate in 1980 was higher than that of 44 states; only six states equaled or exceeded it, of which three were Appalachian: West Virginia, Alabama and Ohio (the non-Appalachian states were Michigan, Alaska and Indiana).

The unemployment situation in 1979 and 1980 was intensified by the number of coalminers out of work. Appalachia's proportion of total U.S. coal production began to decrease in the early 1970s and continues to decline. Even though coal production in the Region has risen (it was approximately 427 million tons in 1979, the highest in many years), unemployment in some coalfield areas, especially in West Virginia, Kentucky and Ohio, has increased. This increase may be related to the closing of smaller, less productive mines and to the higher productivity of strip-mine operations, which produce much more coal per man day than underground operations.

Over the longer term, Appalachian unemployment rates since 1965 have been higher than the nation's except for three years in the early 70s (1972, 1973 and 1974). From the recession year 1975 to the present, Appalachian unemployment rates have been higher than the nation's, with a widening gap since 1978. Between 1974 and 1977 Northern Appalachian unemployment rates were the highest in the Region, but Central Appalachia has again experienced higher unemployment rates beginning in 1978. Southern Appalachia has consistently had the lowest unemployment rates in both good years and bad.

The sensitivity of the Appalachian Region to changes in national economic conditions is due to a number of causes which are the subject of current research into the Appalachian economic structure. Many local economies in the Appalachian Region are highly dependent upon one industry or a few basic industries. Some of the industries concentrated in the Region (coal mining, primary metals, textile, apparel, and—in Northern Appalachia—glass and clay industries) are undergoing structural changes and are subject to swings in employment and production depending upon a variety of external factors. In addition, in two recent years of high national unemployment (1975 and 1980) there has been a surge of population into the Region, particularly into Central Appalachia, which apparently included a significant number of returnees. These people have come chiefly from centers in the north central region of the nation, where industries have been most affected by downturns (steel, automobiles, heavy machinery and metal fabricating) and where considerable numbers of Appalachians had previously migrated.

Overview. The regionwide improvements in population growth, per capita income and poverty levels since 1965 reflect generally improving economic conditions in Appalachia. However, these indices of change and the less encouraging unemployment picture also clearly point out that while some parts of the Region have improved significantly, measured against the nation, other parts still lag behind, making progress at a slower rate than either the Region as a whole or the rest of the country.

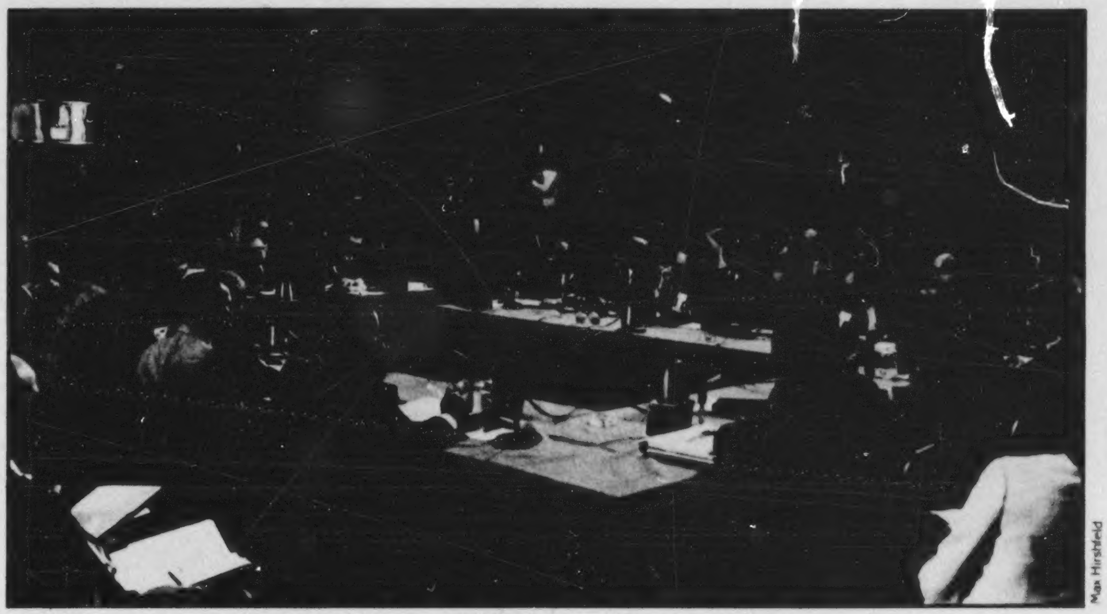
Structure of the Commission

When the Appalachian Regional Commission and the Appalachian program were created and funded in 1965, both were new and untried concepts. There was no existing model for the Commission's federal/state partnership, no similar program that integrated such elements as highways, education and housing into a program, in the words of the 1965 Appalachian Regional Development Act, "to assist the region in meeting its special problems, to promote its economic development, and to establish a framework for joint Federal and State efforts toward providing the basic facilities essential to its growth and attacking its common needs on a coordinated and concerted regional basis."

This new regional commission and program were recognized as an experiment from the outset. In the years that followed passage of the original Act, the Congress was to refer repeatedly to ARC's experimental nature. A 1967 Senate report on ARC continuation legislation, for example, cited it as "our most recent experiment in government."

The report said, "The Appalachian Regional Commission . . . broke new ground in structuring relationships between and among the Federal Government, State governments, local governments, and individual citizens and private business. . . . This program is the embodiment of a new approach in intergovernmental relations, best expressed in the concept of creative federalism . . . As it was conceived and established, it is an equal partnership between the States and the Federal Government."

The Commission, like the programs for which it is responsible, has evolved with experience, however. In its efforts to achieve that "creative federalism," the Commission has made changes that ultimately resulted in the strong state/federal partnership which exists today.



Max Hirshfeld

The February 24, 1981, meeting of the Appalachian Regional Commission.

The Decision-Making Body

Congress realized that PARC's recommendation for a federal/state partnership was the key to the eventual success of the regional program. So ARC was established by law with a membership composed of the governor of each participating state and a federal representative appointed by the President. The federal representative serves as the federal cochairman, with the state members electing one of their number to serve as states' cochairman.

The original legislation stipulated that all Commission action would require the vote of a majority of the states and the federal cochairman. State members were to represent both their individual and collective interests, while the federal cochairman was to bring to the table the federal—specifically the administration's—position. Through interaction among the members and this voting procedure, the Commission would be able to blend state and federal interests into a regional program.

The intent was to put the decision-making responsibility into the hands of those ultimately responsible for carrying out the decisions, thereby heightening the chances for a full commitment of all possible resources toward achieving agreed-upon regional goals.

The ARDA of 1965 gave each governor the option of naming a person (alternate) to represent him on the Commission. Early in the program, the governors opted for that choice, electing to send their alternates to participate in regular policy sessions. Nearly a decade later in 1975, after a careful review of the process, the Congress amended the legislation to refine the process. Over the years both time and changes within state administrations had altered perceptions of the program on the state levels. While the Appalachian governors voiced strong support for ARC, few participated personally in the decision-making process. Critics, in fact, noted that in some states the program had been relegated to officials who did not have the authority to initiate or to agree to the types of decisions that sustained the vitality and regionality of the program.

In its official report on the amendments passed in 1975, the Senate Committee on Environment and Public Works (then the Senate Committee on Public Works) stated that "these amendments are to insure the Governors' control and participation in Commission decision making." The amendments stipulated that only the governor could serve as a state member of the Commission, although he could appoint a single alternate from his cabinet or personal staff. A quorum of governors (seven) was deemed necessary for certain specific actions; an alternate member could not be counted in establishment of a quorum, but an alternate could vote in the presence of a quorum.

Those actions which would require a quorum of governors were: all policy matters, ARC Code changes, allocation of funds among the states, approval of state or subregional plans.

Even before these amendments became law, the Appalachian governors had begun to play much more active roles in the program, including attending a number of quorum sessions. Since 1975 the Commission has met with a quorum of governors present two to four times annually. Not only have the governors and the federal cochairman personally decided all policy matters as stipulated by the amendments, but as a group they have exercised their considerable collective political influence to shape national policies and federal regulations that impact upon Appalachia.

In addition, the governors have initiated a series of conferences to address regional issues and, in doing so, have greatly broadened and strengthened local participation in ARC's decision-making process. The conferences have addressed vital subjects such as regional economic development and balanced growth, the children of Appalachia, coal production and energy and health care.

Largely through direct sponsorship of the governors, the Commission has been able to attract the foremost authorities in each area, top administrative officials and representatives of business and industry to participate in the conferences, along with key state and local officials and interested citizens from throughout the Region. The interaction of the conference participants and their consensus on key issues have been used by the Commission to guide its policies.

ARC Executive Director Henry H. Krevor addresses the March 1981 local development district conference.

Lillian O'Connell

The 1975 amendments also reaffirmed the roles of the executive director and the ARC staff. In accordance with PARC's recommendations, the Commission over its first decade had operated with an executive director and professional staff intended as an independent nonpartisan group of experts providing support and technical information. The 1975 amendments, in effect, insured beyond any doubt the full independence of the executive director and the ARC staff to develop policy and programmatic recommendations based upon their best professional judgments. The Senate Public Works Committee report on the 1975 amendments contained the following specific language on this matter:

". . . The executive director is to be the chief administrative officer of the Commission staff. There must be one individual clearly responsible to the Commission for the day-to-day operations of a staff whose duty is to implement Commission decisions. The Commission staff must be distinct in its functions and responsibilities and free to provide impartial, objective judgments and to advise the members of the Commission on matters affecting policies, operations and procedures. The Congress designed the staff as an independent group of experts to provide impartial and technical information and make recommendations to the Commission based upon such data. It must not be unduly influenced by either partner if it is to serve the Commission in the development of unified Federal-state policies to solve the problems of the Appalachian Region."

Finally, the Senate committee report also addressed the role of a states' Washington-based representative. Although the original legislation was silent on the subject, the states had, at the first

Commission meeting in 1965, appointed such a representative. As the Senate report noted, policy responsibility began to shift away from the Commission table to the "executive committee" where the votes were cast by the federal cochairman and the states' Washington representative, who, in the absence of gubernatorial participation, cast the states' votes. Although a member of the committee, the executive director had no vote.

The Senate committee report on the 1975 amendments not only mandated gubernatorial participation in specific policy actions; it questioned the need for, and the role of, the executive committee. If the Commission did decide that such a committee was necessary, the Senate report stated that only a governor serving as the states' cochairman (or a group of governors) could cast the states' vote in any such committee.

Noting that while the states might want to maintain a small staff at ARC headquarters for the purposes of continuity and advice, the report stated, "It is contrary to the intent of this Act to delegate to such staff any policy formulation, program management, or staff supervisory authority."

LAND-OF-SKY REGIONAL COUNCIL

Land of Sky Regional Council

Robert Shepherd, executive director, addresses a meeting of North Carolina's Land-of-Sky Regional Council. Mayor Roy Trantham of Asheville, seated beside Mr. Shepherd, is the LDD board chairman.

The evolution of the Commission over these past 15 years clearly illustrates the farsightedness of PARC, which originated the notion of a federal/state partnership, and the Congress, which translated that notion into a workable union.

LDDs

The 1964 PARC report also recognized the likelihood that the Commission would have to address itself to establishing and/or strengthening the capacity of local areas to deal with economic development; therefore, PARC suggested the possibility of creating local development districts as substate planning and development agencies, and the legislation creating ARC provided for the creation and support of such districts.

Appalachia had (and still has) a plethora of small jurisdictions that range from tiny unincorporated places to small towns and cities. Unfortunately, few of these jurisdictions had the planning capacity or the grantsmanship expertise to pursue either private or public investments successfully. Where this expertise did exist, the Region's long history of competition among towns and counties inhibited their ability to work together to enhance their chances of success. Instead each town vied with its neighbors for jobs, state and federal dollars and any new business investments, often to the detriment of all involved.

So, following PARC's notion that each state must determine if it wanted LDDs—and if so, what form they would take and what role they would play—the Commission endorsed the idea and left each state to pursue the LDD idea in the manner of its own choosing.

Today, Appalachia has 69 LDDs that incorporate all 397 counties in all 13 states (see map on page 72). Funded in part by ARC, the LDDs take a variety of forms—nonprofit organizations, regional planning corporations, councils of governments—according to the design of each state. By whatever name they are called, all share the same general functions, including building the capacity for areawide economic development and the development expertise needed to implement these plans through specific investment programs.

These LDDs form a very essential link between the people directly affected by ARC projects and those who make both state and regional policies. The LDDs, each serving several counties that share common economic potentials and problems, provide the local input that PARC considered the foundation for lasting change in the Region.

Each of the 69 LDDs operates under the direction of a board of directors composed of a majority of local elected officials, plus community business and labor leaders, and other private citizens. Each has a professional staff responsible for developing areawide plans and implementing areawide development strategies and specific projects, based upon the policy outlined by the boards.

Interaction among the LDDs also is important to the growth of the Appalachian program. Annual LDD conferences, Commission conferences and the exchange of ideas via the ARC staff (which provides, at the states' request, direct technical assistance to the districts) are ways in which the local development districts share mutually beneficial experiences and information.

The Process

The process that allows the federal government, individual states and the LDDs to operate in concert is the Appalachian development planning process. Planning takes place on all three levels—regional, state and district. The regional plan, which is composed of several documents, articulates regional problems and potentials, establishes regional goals and objectives, and sets forth a long-range development strategy for the Region.

At the next level, each state prepares a state Appalachian development plan which sets forth state Appalachian goals, objectives and investment strategies within the framework of the regional plan. Finally, the districts follow the same pattern, identifying districtwide problems and potentials, establishing goals, objectives and an investment strategy.

Each state plan is revised annually based upon achievements and changing priorities, so that the entire planning process—regional, state and district—is an on-going process.

Once the weakest link in the planning chain, most LDDs now have the planning and development expertise to fulfill the basic planning function. All of the districts have developed, or are in the process of developing, areawide action programs (AAPs), which, in essence, are long-range multiyear development plans. Among ARC's top priorities is to continue to assist the LDDs to build their planning and development expertise to insure an even greater measure of local participation in the overall decision-making process.

Research, Evaluation and Support for LDDs

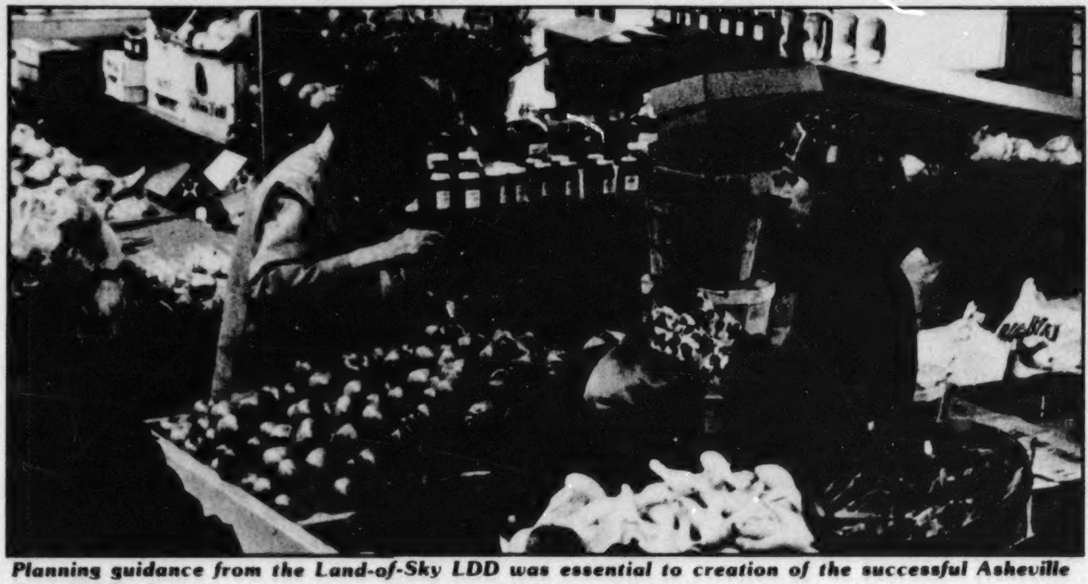
An integral and unifying aspect of the overall Appalachian program is its research, evaluation and LDD support program. Funds devoted to these activities cross program lines, guide institutional development, strengthen local participation, enhance the planning process at all levels and generate the data and information input for regional priority setting and decision making.

This program breaks down into four categories: LDD support, Commission research, state research and technical assistance, the latter provided from the states' single allocation (each state receives an allocation of ARC funds for area development and technical assistance), and evaluation.

LDD Support. The key recipient of ARC technical assistance monies is the LDD. As the districts have grown in numbers and responsibility, ARC has increased LDD planning and administrative funding from $890,000 in 1966 to $5.8 million in FY 1980. Today the ability of the 69 LDDs to offer technical assistance to their constituent governments is a major factor in helping these governments benefit from ARC programs. Appalachian development planning by the states has increasingly drawn upon district resources and plans. ARC, the states and their local constituencies call upon the LDDs for technical assistance in public finance, management and planning and for general program activities.

In 1975, ARC's legislative amendments recognized the growing importance of the local development district system to the overall success of the program and clearly articulated the districts' role and responsibilities in strengthening the federal/state partnership. The amendments called for preparation of areawide action programs (AAPs) to provide one coordinated process and basic document to be used by as many federal, state and local agencies as possible as the basis for their program funding decisions.

The Commission is committed to encouraging continued growth of the districts and to insuring that they will continue to increase in stature in their overall planning and development capabilities, and in the level of their participation in the regional decision-making process.



Jesse S. Blackburn

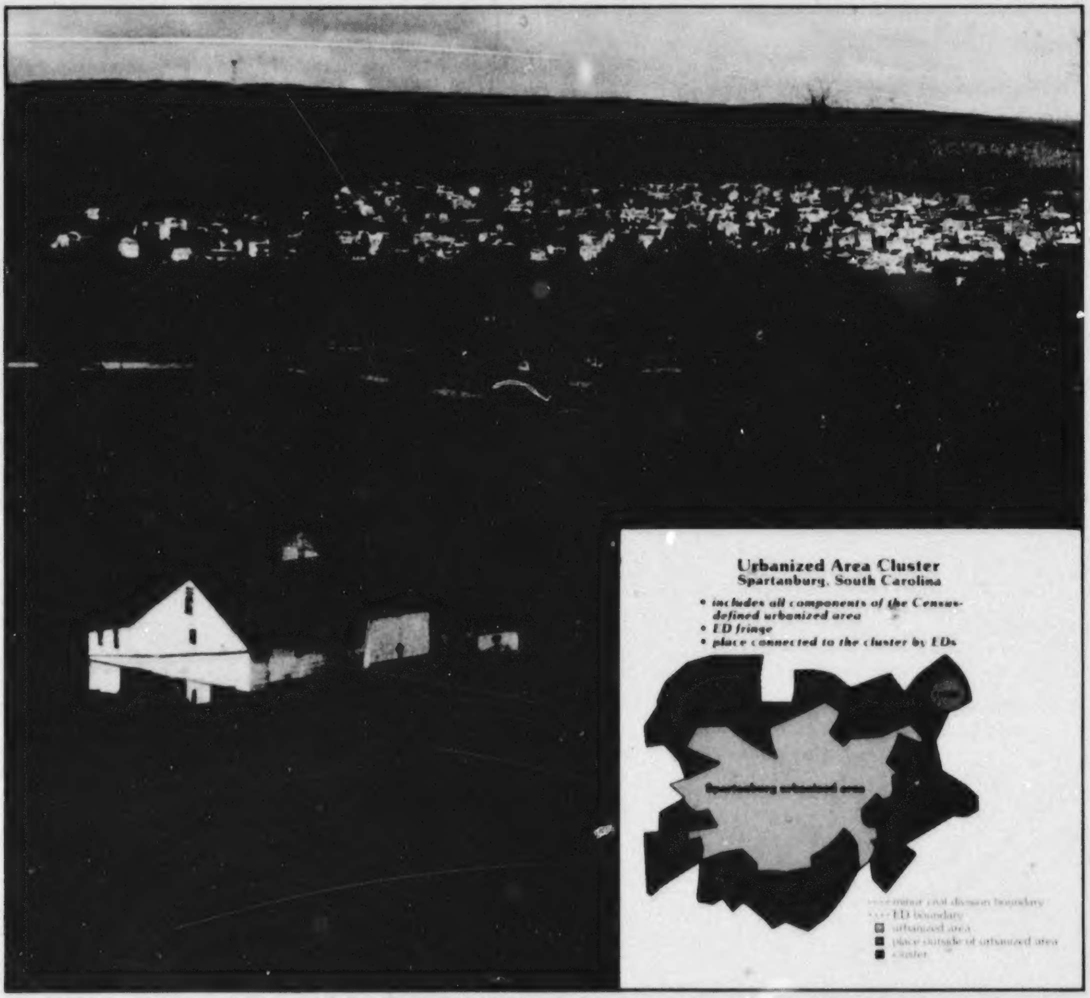
Planning guidance from the Land-of-Sky LDD was essential to creation of the successful Asheville Farmers' Market.

Commission Research. To assure that the Commission's research program continually focuses upon priority regional issues and concerns, ARC prepares an annual research prospectus. This prospectus sets forth the priority research issues within the major Commission program areas. These priorities then serve as the basis for the development of specific research, demonstration and technical assistance projects.

In the early years of the program, the research tackled the most obvious and pressing of problems. However, as the Commission has matured, it has refined the selection process based upon its own growing experience. The conferences and public meetings that have been held in increasing numbers in recent years have also become a prime vehicle for identifying issues at the grass-roots level.

A major component of ARC's Commission research program is regional analysis—providing and analyzing social and economic information on the Region, and assessing the need for additional Commission services. In FY 1980, for example, the Commission announced the preliminary results of a settlement patterns study that showed where small clusters of population, and fringes of population around smaller cities and towns, were settling—units too small to be readily identified by the Census counts but large enough to be important considerations for governments and utilities that must supply facilities and services to these citizens.

The Commission also conducts research into program areas designed to guide ARC policy decisions, to discover where current needs are greatest, where new initiatives are needed, where ARC funds can be used to greatest advantage to supplement other federal as well as state, local and private funds. Past research projects on such subjects as coal haul roads, airline deregulation, solid waste management and natural hazards have helped set ARC priorities and guided program investments. One program area in which research is particularly important is energy and environment. Specific priorities here include the use and production of Appalachian coal, especially in the export market, energy conservation, rail deregulation and its effect, and agriculture and forestry marketing.


Urbanized Area Cluster
Spartanburg, South Carolina
• includes all components of the Census-defined urbanized area
• ED fringe
• place connected to the cluster by EDs
Spartanburg urbanized area
minor civil division boundary
ED boundary
urbanized area
place outside of urbanized area
cluster

The ARC settlement patterns study identifies clusters of population (see figure, RIGHT) on the fringes of smaller cities and towns, like the outlying houses depicted around Frostburg, Maryland (ABOVE).

State Technical Assistance, Research and Demonstration. Each state also engages in technical assistance, research and demonstration projects designed to address practical problems in program areas such as health, community development and transportation. In addition, ARC funds demonstrations to increase capabilities at the state, substate and local levels in programs related to creating new employment and to increasing the income potential of citizens of the Region.

This program gives the states the particular advantage of setting priorities according to their respective needs and thus encourages innovation. Many recent examples can be cited to illustrate how the latitude allowed the states in the use of these technical assistance, research and demonstration monies has resulted in a wide variety of new and innovative approaches to problem solving. For example, eastern Kentucky has a multicounty tourism program designed to bring together into a single cooperative organization the separate activities of public and private tourism interests.

In Appalachian Mississippi, an ARC grant is centered on enhancing the area's ability to obtain and create job opportunities. Cities and counties are receiving technical assistance to strengthen their enterprise development efforts; existing industries are getting specialized technical assistance for particular problems; and the Agriculture and Industrial Board is being assisted in attracting new industries. One focus of the project is on developing alternative energy supplies for industry.

Several lightly populated and financially poor Virginia mountain counties are receiving a grant to enable their governing bodies to employ a qualified staff person to carry out administrative decisions for largely part-time government officials and to undertake grants management and development planning. The project is aimed at demonstrating that such a position more than pays for itself by improving government efficiency. Maryland and South Carolina are also engaged in demonstrations that will improve the management capabilities of small units of local government.

In addition to research projects related to program activities, ARC funds technical assistance designed to improve and strengthen the development planning process in the Appalachian state offices. In FY 80 a new policy was approved bringing together in each state in a single "consolidated work program" the state planning, evaluation and program development activities. With responsibility for these activities focused in the state offices, the states will be better able to develop the staff and services needed to carry out the objectives of the ARC program.

Evaluation. Evaluation has always been and continues to be a high ARC priority. Consistent efforts have been made recently to add cohesiveness to evaluation and monitoring activities, both at the Commission and the state levels. The process of selecting these activities is similar to the Commission's research process; priorities are determined jointly by the states and the Commission.

Under a new policy that brings together evaluation planning and program development activities, evaluation is becoming an integral part of project management throughout the Commission. State evaluation personnel are making valuable contributions toward increasing the efficiency and effectiveness of ARC programs. On-going data collection systems have been developed to measure progress and identify problems. For example, Alabama, Virginia and Pennsylvania are developing information systems using the latest technology to track, analyze and evaluate federal funds flowing into the states. Kentucky has recently completed evaluations of its health and education problems, and Mississippi has concentrated much effort on child development. In both of the latter states, the evaluations have led to better program administration and have reduced obstacles to effective service delivery.

Overall Commission evaluation priorities for the future are comprehensive evaluations of housing and enterprise development, and identification and assessment of unique and innovative demonstration projects. These activities will help the Commission make better decisions in these two program areas and will give wider circulation to information about those of ARC's demonstration projects that are especially worth duplicating elsewhere.

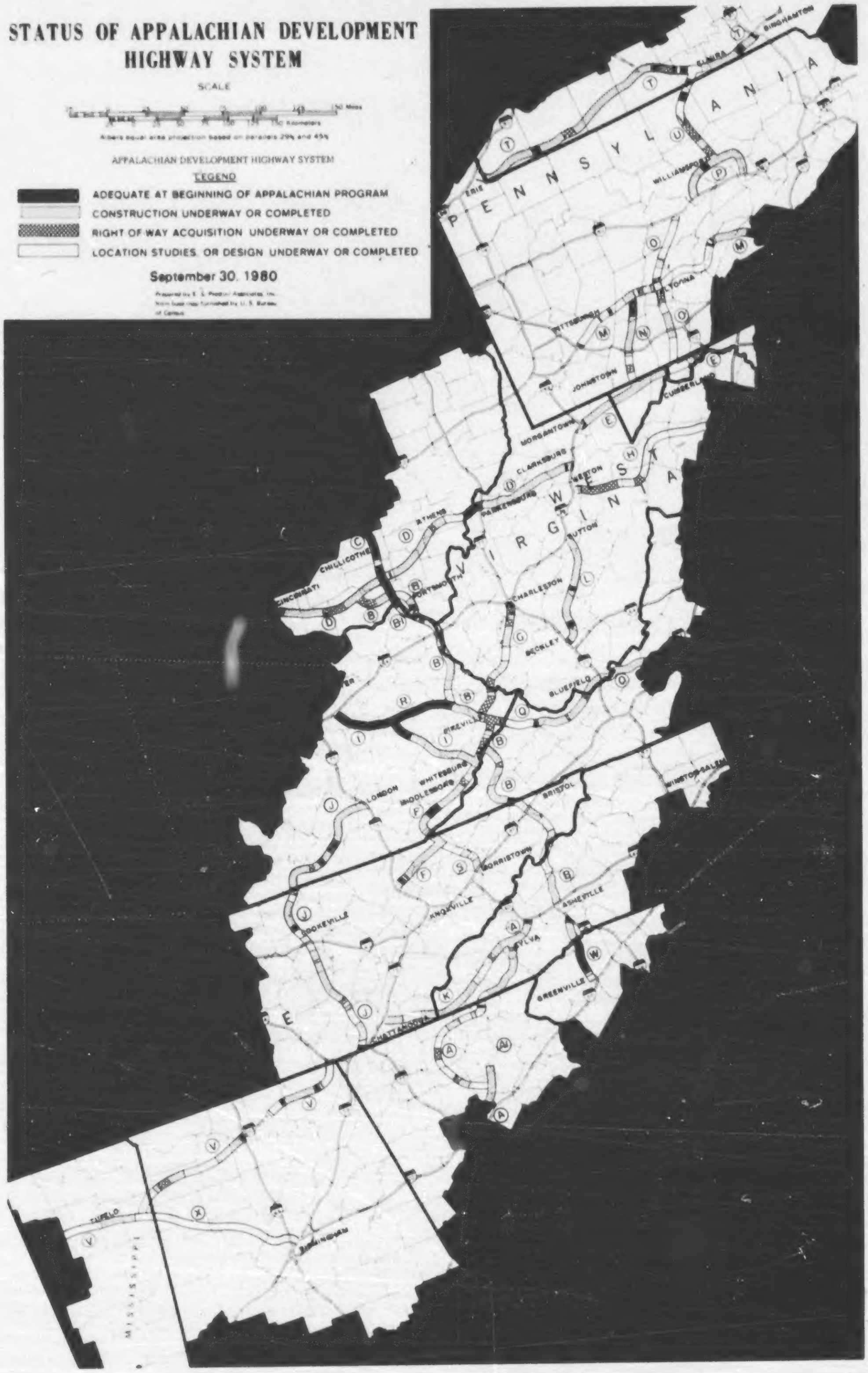
The Commission recognizes that the federal/state partnership must carry over to monitoring program activities, and that a successful monitoring effort necessarily involves both partners. Through workshops, meetings and informal discussion, the Commission has developed a viable system for working with the administering federal and state agencies and the LDDs to monitor program performance. This sometimes informal network has reduced duplication of effort and will eventually prove cost effective.

Solar
Small Hydro

Robert Rathe

ARC-sponsored conferences such as the 1979 conference on energy and health care have allowed the public to play a greater role in shaping Commission policies and activities. Depicted ABOVE: The panel on unconventional sources of energy and energy conservation.

STATUS OF APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM



SCALE

Albers equal area projection based on parallels 29½ and 45½

APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

LEGEND

■	ADEQUATE AT BEGINNING OF APPALACHIAN PROGRAM
▭	CONSTRUCTION UNDERWAY OR COMPLETED
▨	RIGHT OF WAY ACQUISITION UNDERWAY OR COMPLETED
□	LOCATION STUDIES OR DESIGN UNDERWAY OR COMPLETED

September 30, 1980

Prepared by E. S. Preston Associates, Inc. from base map furnished by U. S. Bureau of Census

Miles
Kilometers
BINGHAMTON
ELMIRA
PENNSYLVANIA
ERIE
WILLIAMSPORT
ALTOONA
PITTSBURGH
JOHNSTOWN
CUMBERLAND
MORGANTOWN
CLARKSBURG
WESTON
WEST VIRGINIA
PARKERSBURG
ATHENS
CHILLICOTHE
CINCINNATI
PORTSMOUTH
SUTTON
CHARLESTON
BECKLEY
BLUEFIELD
PIKEVILLE
WHITESBURG
LONDON
MIDDLESBORO
BRISTOL
WINSTON-SALEM
MORRISTOWN
KNOXVILLE
ASHEVILLE
COOKEVILLE
SYLVA
GREENVILLE
CHATTANOOGA
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BEST C... AVAILABLE

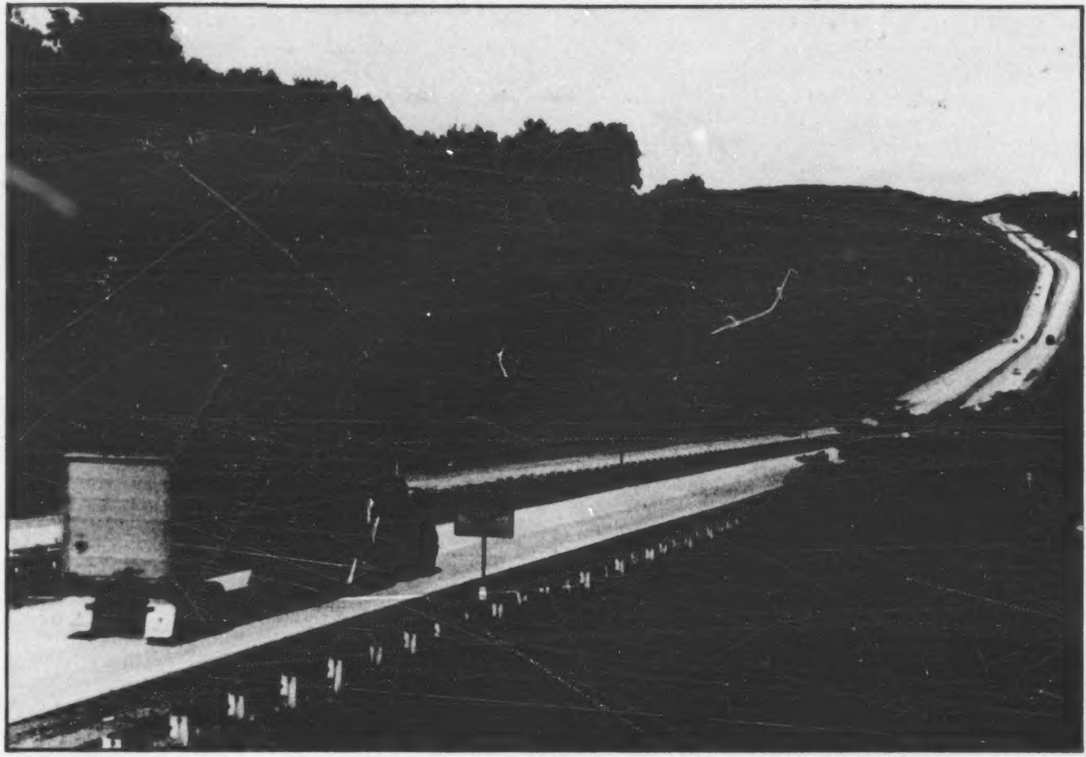
Transportation

Development activity in Appalachia cannot proceed until the regional isolation has been overcome. Its cities and towns, its areas of natural wealth and its areas of recreational and industrial potential must be penetrated by a transportation network which provides access to and from the rest of the nation and within the Region itself. No analysis of the regional problem has failed to identify the historic and persisting barrier-effect of its mountain-chains as a primary factor in Appalachian underdevelopment. The Commission recommends a mix of investment and timing which gives the single problem of access a double priority of emphasis."

That statement from the 1964 report of the President's Appalachian Regional Commission has remained basic to ARC's program over the past 15 years. It was challenged by some who sought a "quick fix" solution to the problems of Appalachia. It was questioned by some who pointed out that a whole generation of children would be grown long before the highways could be planned and built.

But year after year, the Commission—with Congressional and Presidential support—held to the tenet that no lasting improvement in the Region would be possible without the highway system. The original legislation authorized 2,350 corridor miles. That number was increased to a total of 3,025 over the next 15 years as corridors in Alabama, Mississippi, South Carolina and New York were added to the original nine-state system, and additional miles were required to meet new environmental or developmental needs.

At its first meeting on May 12, 1965, the Commission approved the first 992 miles of the system, including 87 miles of quick-start projects. Less than two months later, on July 6, construction of the development highway system actually began, with ground-breaking ceremonies in Isom, near Whitesburg, Kentucky, and Salem, West Virginia. A few days later, on July 14, the rest of the system was approved by ARC.


Egon Weck

Appalachian Corridor N in Pennsylvania connects Johnstown with Interstate 70 and U.S. 40.

Segment by segment, year by year, the Appalachian Development Highway System (ADHS) corridors were blasted through the rugged Appalachian mountains, often at costs per mile two or three times those of flat land construction. Costs, high to begin with, were increased by inflation and adaptation to new safety and environmental standards.

By September 30, 1980, 1,565 of the total 3,025 corridor miles in the system were complete and another 235 miles were under construction (see map opposite and Table 2 on page 16). Another 1,224 were in some stage of engineering and land acquisition. A total of $2,412 million in federal funds and $1,495 million in state funds had been committed to the construction. An additional $430 million in federal funds through 1981 had been authorized.

Among the segments of the development highway system completed during the year were:

- the last 2.2-mile section of Corridor L near Beckley, West Virginia, linking the corridor to Interstate 77
- a 9-mile section of Corridor S in Tennessee running north of Morristown over Clinch Mountain
- 6.6 miles of Corridor O in Pennsylvania, so that 16 miles of the corridor are now open from Bedford on the Pennsylvania Turnpike to the Blair County line
- 10.9 miles of Corridor K in North Carolina, with 37.5 miles now open from the Tennessee state line eastward to a spot beyond Andrews
- the 2.1-mile section of Corridor B in Virginia closest to the Kentucky state line.

As early as 1969 assessments showed that the system would reduce by one-half the shipping time between eastern Kentucky and the major eastern markets within a 300-mile radius and by one-third the shipping time between important economic areas in West Virginia and those same markets. In 1969, the Appalachian corridor system also began to produce measurable development payoffs such as location of a new Control Data plant along a corridor in Wolfe County, Kentucky, the second poorest county in the United States. The plant provided 150 new jobs in this area, which had never before been able to attract this type of manufacturing.

Between 1965 and 1977, employment in Appalachia increased by over one million. Studies show that half the new manufacturing jobs were in plants within 10 minutes of new highways and three-fifths within 20 minutes.

The development highway system's impact goes far beyond new job creation, however. The corridors, in addition to opening the Region to industry and commerce, are also making it easier for the people of Appalachia to commute to jobs, health care, vocational schools, airports and other essentials of a modern, balanced economy.

Table 2

Appalachian Development Highway System

Mileage and Financing
As of September 30, 1980

State	Total Mileage	Construction Required*	Studies Completed or Under Way	Design Completed or Under Way	Right of Way Completed or Under Way	Construction Completed or Under Way	Construction Completed**	Dollars Obligated through 1980 (in thousands)
Alabama	253.5	244.2	244.2	120.9	77.9	69.4	40.4	$ 45,271
Georgia	137.1	134.6	134.6	134.6	72.7	63.9	37.9	65,900
Kentucky	581.8	433.2	433.2	433.2	396.2	343.7	295.2	429,702
Maryland	85.4	81.4	81.4	58.0	50.0	50.0	50.0	71,017
Mississippi	119.8	116.8	116.8	59.4	46.7	42.7	22.8	44,885
New York	255.3	219.5	219.5	204.8	195.9	182.4	158.8	220,734
North Carolina	205.9	203.6	203.6	164.6	164.6	151.1	148.4	127,958
Ohio	293.5	201.1	201.1	177.6	150.4	125.6	102.5	105,396
Pennsylvania	509.0	453.5	453.5	281.6	209.4	170.7	154.1	344,687
South Carolina	29.0	11.8	11.8	4.6	4.6	1.7	1.7	4,383
Tennessee	342.2	331.8	331.8	270.5	194.3	194.3	180.6	268,328
Virginia	201.6	190.8	190.8	157.4	156.9	150.7	137.5	112,289
West Virginia	426.2	410.6	410.6	306.6	296.9	255.2	235.5	571,218
Total	**3,440.3**	**3,032.9**	**3,032.9**	**2,373.8**	**2,016.5**	**1,801.4**	**1,565.4**	**$2,411,768**

* Only 3,025 miles are authorized for ARC funding on construction (including right-of-way acquisition).

** Of the total completed mileage, 1,558.7 miles have been opened to traffic.

Columns may not add because of rounding.

Access Roads and Other Transportation

The Appalachian Act did not restrict ARC investments to the corridor system alone. As the PARC report had recommended, ARC also has invested in "access roads which . . . serve specific facilities such as those of a recreation, residential, or industrial nature and would facilitate the states' school consolidation programs." At the same time, the Region shared some national transportation concerns, such as the declining railroads, and some very specific regional transport dilemmas such as coal haul roads.

Access roads, usually two-lane and often only a mile or less in length, have proved to be one of the most valuable of ARC's tools. Over the past 15 years they have provided the critical linkage to industrial sites, to regionally important recreation areas, to major housing projects, to hospitals and airports. In the energy crises of the 1970s, ARC helped fund access roads to nuclear plants, oil storage facilities and to coal mines.

Through September 1980, ARC had helped fund 358 access road projects, providing $127.9 million in federal funds. Some 653 miles of access roads were completed, and another 187 miles were in some stage of design, engineering or construction (see Table 3 at the right).

Table 3
Appalachian Access Roads
As of September 30, 1980

State	**Miles Approved**	**Construction Completed or Under Way**	**Construction Completed**	**Dollars Obligated through 1980** (in thousands)
Alabama	210.1	191.7	186.4	$ 21,464
Georgia	36.9	36.9	16.7	13,321
Kentucky	15.2	11.1	11.1	4,194
Maryland	7.6	6.8	6.8	2,174
Mississippi	181.7	129.9	107.1	19,787
New York	9.1	4.4	3.5	3,415
North Carolina	23.9	20.9	20.6	6,329
Ohio	44.7	36.2	35.9	5,150
Pennsylvania	102.4	86.4	83.1	14,385
South Carolina	121.7	105.5	98.5	14,443
Tennessee	57.3	43.0	43.0	10,480
Virginia	22.4	18.2	18.2	4,676
West Virginia	49.4	22.8	21.8	8,127
Total	**882.4**	**713.8**	**652.7**	**$127,945**

Columns may not add because of rounding.

An old Appalachian problem reemerged with the revival of the coal industry in the 1970s: the need for building and resurfacing coal haul roads.

In 1977 an ARC-funded study showed that coal was being hauled regularly over 14,300 miles of roads within eight Appalachian coal-producing states. About 70 percent of those roads carried more than ten 24-ton trucks a day. The study estimated a cost of $3.8-$4.6 billion to construct, rebuild and maintain the necessary roads and bridges to handle the coal then being produced. Anticipated increases in coal production were expected to increase that cost by another $800-$1,000 million by 1985.

As we enter the decade of the 80s, the question of coal haul roads is as yet unresolved. ARC takes the position that, if the Region is to substantially increase its production of coal to the benefit of the nation, then the nation must be willing to assume a reasonable share of the additional financial outlay necessary to make increased coal production possible. A significant part of that increased financial burden is building and maintaining roads exclusively for the hauling of coal.

Rural public transportation is a national as well as a regional problem that is made particularly acute in Appalachia by the difficult terrain and the high incidence of low-income and elderly people. In this area, ARC has funded a number of management studies, helped some projects secure assistance under the Rural Highway Public Transportation Demonstration Program and aided operating demonstration projects serving approximately 600,000 people annually in five states.

Railroads are perhaps even more an issue in Appalachia than elsewhere. Critical arteries in the Appalachian economy for over a century, railroads linked scattered industrial sites with suppliers and marketers; carried much of the coal to industries, power plants and ports; and often provided more reliable transportation for people than automobiles over icy mountain roads.

Then the railroads, troubled since the boom days of World War II, encountered disastrous problems in the 1960s. Bankruptcy, the establishment of salvage organizations like Amtrak and Conrail, and the abandonment of less prosperous lines followed. Track abandonment hit Appalachia particularly hard since much of it was served by light-density branch lines.

In the early 1970s, ARC began efforts to help its member states with rail abandonment problems. Among ARC's projects were development of a methodology to measure rail abandonment impacts on communities and their economic potential; helping West Virginia prepare a statewide rail plan to make it eligible for federal assistance; aiding New York with the purchase of five branch lines; and establishing a short line rail service to keep shippers in operation.

Although the Commission has completed a study of branch lines to identify rail service needs and the public and private resources that might help meet those needs, the outlook for rail service in Appalachia—and the country—is not encouraging to those concerned with regional economic development. Increased transportation of coal would probably strengthen rail service to the coal areas, but there was no similar encouragement for the rest of Appalachia.

One of the key factors in the demise of rail passenger service was the growth of the airlines. By 1965 air transportation had become an important factor in economic development. The rough Appalachian terrain gave it increased importance but also complicated the problems of building adequate airports.

In 1967 ARC completed a study on airport status and needs in Appalachia and interested the Federal Aviation Administration (FAA) in the concept of airports as generators of economic development. Over the next few years, ARC funds were used in conjunction with money from FAA and other sources to increase the safety and capacity of airports in the Region.

Air service in Appalachia improved steadily until the federal deregulation of late 1978. Designed to stimulate competition, deregulation permitted airlines to eliminate less profitable flights and service. In Appalachia the result was curtailment of service to many small cities and towns. A study of the effects of deregulation on the Region commissioned by ARC revealed that the Region has been losing a disproportionately large amount of air service, with 11 communities losing one or more major carriers, 20 communities having less service than they had before and total daily seat departures from Appalachian communities declining by 14 percent. ARC has worked with the Appalachian states and individual Appalachian communities to protect their needs for airline service, principally through testimony before regulatory bodies concerned with the problem.

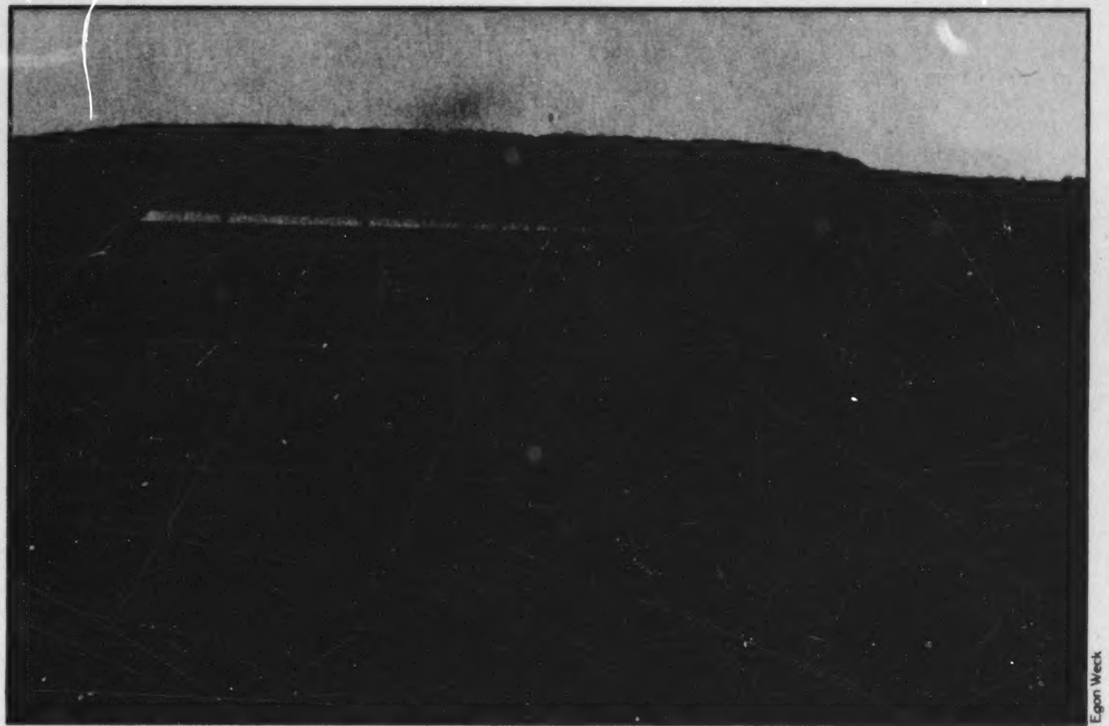
While continuing investment in highways is essential, the Region also needs rail and air service if the regional economy is to continue to make progress.

Late in the fiscal year, the Appalachian governors asked ARC to undertake a comprehensive review of the Appalachian Development Highway System. The analysis, now under way, will include the purposes of the system, benefits accrued to date, potential benefits of uncompleted sections, costs to complete the system and the role of the system in the transportation of energy, especially coal. The objective of this comprehensive study is to set up priorities so that if not enough money is available to complete the system, the most essential elements will be undertaken first.

Jessie S. Blackburn

ARC has worked to protect air service between small Appalachian cities and Washington, D.C., a major terminus for Appalachian travelers.

Enterprise Development



Egon Weck

The Abex Corporation's cast-steel railroad-wheel manufacturing plant recently located in an ARC-assisted industrial park near Johnstown, Pennsylvania.

"The private businesses of the Appalachian Region," said the 1964 PARC report, "are critical to future growth. They provide the means by which the potential of regional public investment is realized in the form of more and better jobs for the people who are the target of this developmental effort. The entrepreneurs who translate the capacities of the Region's economy into first-level jobs are indispensable to economic growth."

Although the PARC report recognized the importance of the job-producing private sector, it recommended—and the Congress agreed—that ARC should not provide the capital for private enterprises. ARC was to design a program to foster industries and businesses by providing such essentials as highways, public facilities and services, healthier and better-trained people and livable communities. Capital for land, buildings and equipment would be provided by private sources or federal agencies like the predecessors of the Economic Development Administration or the Small Business Administration. ARC was not authorized to help capitalize industries and businesses.

However, ARC could provide the state and local areas with technical assistance to help strengthen the process by which new jobs are created. The thrust of the technical assistance program over the years has been to build state and local capacities to design and implement job development strategies. This process includes building local capacity to assess job needs and potential, to identify obstacles to new job creation and to utilize that information as the basis for a local job creation strategy.

Governed by boards that include business people, labor leaders, bankers, elected officials and others, the Commission-assisted local development districts (LDDs) have become a key link between the private and public sectors. With a mix of representation from the private and public sectors, LDDs have been able to generate mutually-agreed-upon enterprise development strategies as a guide for investments made by both sectors. The LDDs and Appalachian states have also hired and trained people to help entrepreneurs find public or private capital.

While helping to improve the general climate for private enterprise in the Region during the 1960s, ARC also began pinpointing the specific impediments to enterprise development. As early as 1966, the Commission recognized that the best source of new jobs would come from industries already in the Region; so it funded a major project to identify ways to help those industries expand. ARC also recognized the importance of private capital and in 1968-69 released a study on "Capital Resources in the Central Appalachian Region."

The study showed a $109-million outflow from 60 Appalachian counties in Kentucky, Tennessee, Virginia and West Virginia. That figure was partly offset by investments of outside capital in the counties, most of it in coal mining; but the net outflow figure was $54.1 million, almost a million from each of these relatively poor counties, desperately short of investment capital.

With help from ARC, the climate for entrepreneurs in Appalachia was improving by the 1970s—and figures began showing results. During the 1950s the Region had lost more than half its jobs in agriculture and almost 59 percent of its jobs in mining. Worse, it was gaining manufacturing jobs at only one-third the national rate and service jobs at only half the national rate. By the mid 1970s, however, these trends were improving in the Region. Census Bureau figures indicate that the rate of

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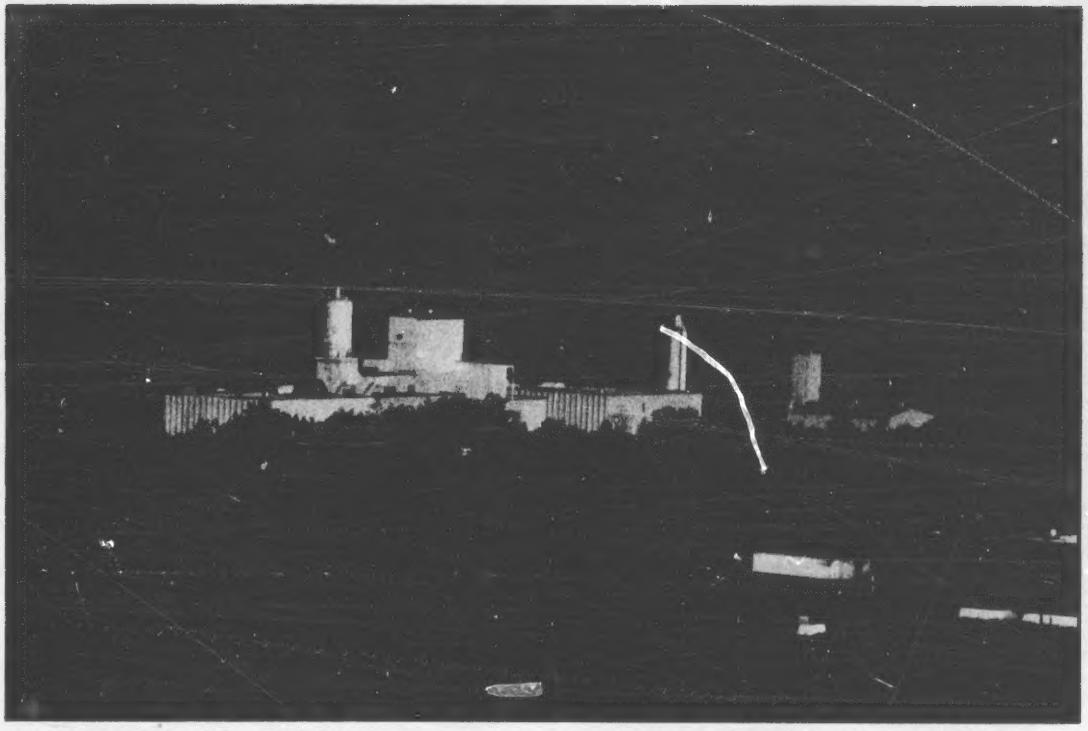

Richard Bloom

An ARC-funded access road has helped attract industries to the Humboldt industrial park in Hazelton, Pennsylvania.

increase of jobs in Appalachia was 88 percent of the national rate for the 1970-77 period. (These are the jobs covered by the Federal Insurance Contributions Act.)

In the mid 1970s, ARC reexamined its enterprise development activities as part of an overall design program at the end of its first decade. As a result, the Commission proposed to the Congress that it be permitted to fund energy-related enterprises, state technical assistance programs for small businesses and industrial site development. The Congress responded by authorizing a program in energy-related enterprise development and waived a portion of the original ARC legislation which prohibited Commission funding of industrial facilities or of working facilities for the generation, transmission or distribution of electric energy or gas.

ARC used this new authority to assist a variety of energy-related projects during the 1970s. Many of those projects were aimed at developing energy-efficient industrial parks—for instance, the conversion of an abandoned plant in Hornell, New York, to accommodate several industries in a facility with high energy efficiency. Another grant for a feasibility study of a coal gasification plant to supply an industrial park in Pennsylvania led to a $4.7-million low-BTU plant that will make a Hazelton, Pennsylvania, industrial park energy-self-sufficient.

Energy efficiency today is an integral component of Appalachian Tennessee's enterprise development strategy. Tennessee's program also illustrates the growing sophistication of the states' and the local areas' approach and expertise in job creation and retention. Since roughly two-thirds of all new capital investments are from expansions rather than location of a new industry, Tennessee's enterprise development program stresses helping existing businesses to retain old and create new jobs, as well as attempting to generate new business starts.

In addition, eastern Tennessee's enterprise development program ranged from assessing available resources and obstacles to new job development to identification of potential international markets, trade-related problems and capability to participate in foreign trade shows. These programs are now being integrated into the statewide economic development strategy.

In Appalachian North Carolina, where farming has been a mainstay of the economy, a large consolidated farmers' market has been created to serve as a central location for the sale of products of both small- and large-scale farmers. The market includes a retail market, a trucking shed, and a wholesale fruit and vegetable facility with direct rail access. The market had an estimated half million visits from buyers and sellers in 1980, and the value of goods that exchanged hands was between $12 and $15 million. Planning assistance from the Land-of-Sky local development district was instrumental in designing the market. ARC's role was to fund the access road linking the market to the highway and to finance a large part of the construction of the wholesale building, the latter investment legally possible because the state owns the market and its facilities.

Investments like this have been responsible for the creation of many new jobs in Appalachia. Although the Commission recognizes that the investments and decisions of many organizations in addition to ARC affect the economic development process, tracking of the Region's progress has revealed that more than 1.5 million new permanent jobs have been added since the establishment of ARC in 1965. The Commission's major contribution to the private sector continues to be the building of a regional economy in which individual enterprises can take root and prosper.

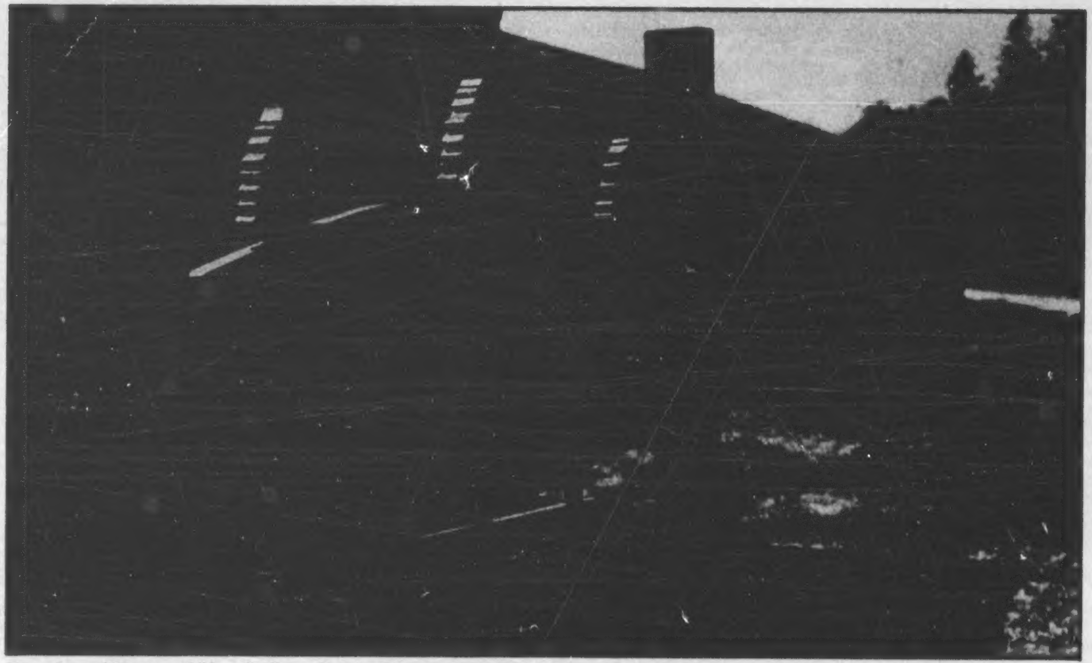
Health

The PARC report made it clear that conventional health-care systems were not working effectively in Appalachia. With this in mind, the Appalachian Commission in 1965 deferred any immediate health funding programs and appointed a 25-member health advisory committee. The committee was charged with two specific tasks: to conduct a comprehensive evaluation of the Region's health needs and to establish guidelines and criteria for funding projects under the demonstration regional health centers program authorized in the Appalachian Regional Development Act.

While the study was in progress, ARC and the Office of Economic Opportunity (OEO) undertook a program to assist the ten Appalachian Regional Hospitals that served Kentucky, West Virginia and Virginia. Using a $1.2-million grant from OEO, ARC helped to supplement the hospital system (once operated by the United Mine Workers) as a first step in building a comprehensive regionwide health care program.

In early 1966, the advisory committee presented its report to ARC. The report set provision of health-care professionals and of adequate operating facilities as the Region's first health priority, emphasizing that construction funds would be needed to accomplish this. The committee also developed guidelines and criteria to insure that all projects funded would be regional in nature and capable of providing comprehensive health services. It further defined comprehensive health services to include health education, personal preventive services, diagnostic and therapeutic services, rehabilitative and restorative services and community-wide environmental health services.

Following the committee's guidelines, ARC began in 1967-68 to establish demonstration health areas to implement "the phased development through clearly defined steps, of comprehensive health services for all segments of the population in a designated area."


Tommy Noonan

Rural residents of North Carolina's Transylvania County receive primary health care from the Balsam Grove clinic because the state helps fund such small clinics through its Office of Rural Health Services.

Health Needs

Governed by boards composed of local health consumers and providers and public officials, the demonstration agencies faced the task of identifying specific health needs and finding cost-effective means to meet those needs. And the needs were great. In 1967 the Region recorded 92 nonfederal physicians per 100,000 residents, compared to a national average of 140 per 100,000. Nearly 2,400 doctors were needed just to bring the regional ratio up to 100 per 100,000 persons.

Other indicators were equally staggering. The Region's infant mortality rate in 1963 was 27.9 deaths per 100,000 live births, compared to the national average of 19.7 deaths per 100,000 live births. In many Central and Southern Appalachian counties the rate was double the national average. Death from infectious diseases was 33 percent higher than the national average.

Other regional conditions impacted directly upon the health situation, too. Inadequate transportation systems, particularly highways, limited access to health care for the millions of nonurban residents who made up the vast majority of the Region's population.

Given this particular set of circumstances, ARC developed a three-level (primary, secondary and tertiary) approach to health care as a means to cost-effective, comprehensive care to the total population. Primary care, as defined by ARC, offers daily personal health care on a continuing basis and includes maintenance of complete records to be extended when necessary to the secondary level (hospital care) and to the tertiary (highly specialized research-oriented services, centralized in regional facilities).

In effect, this definition of primary care means that once an individual enters the comprehensive health care system for any reason—examination, diagnosis or treatment—the primary health care component of the system makes available to him a full range of personal health-care services from simple testing to specialized treatment.

A Typical Primary Care Clinic

Using this health-care delivery concept, each demonstration area went about developing delivery systems appropriate to its health-care needs. Many, and eventually all, demonstration areas established networks of primary health-care clinics as the entry point into comprehensive health-care systems. Clover Fork Clinic in the mountains of eastern Kentucky is typical of the 250 clinics that now serve people throughout the Region.

The clinic opened ten years ago in a trailer-building in the tiny coal-mining community of Evarts, Kentucky. Working in cooperation with Harlan Regional Hospital 14 miles away, Clover Fork provides to a valley of 10,000 people a range of services no family doctor could provide alone. The staff includes two physicians, two nurse practitioners, a dentist and a support staff. The hospital's home health nursing service uses Clover Fork as an operations base in the clinic's service area. The home health service visits clinic patients, mostly elderly people, who need on-going maintenance that can easily and appropriately be provided in the home. Constant radio contact with the clinic makes it possible for the field team to consult with the physicians when necessary.

The clinic medical staff, on the other hand, has complete access to, and the cooperation of, the Daniel Boone group practice based at Harlan Hospital and all of the hospital's sophisticated laboratory, diagnostic and treatment facilities. Tertiary services—chemotherapy for cancer patients, for example—are provided by the University of Kentucky Medical Center at Lexington, Kentucky.

Clover Fork's nurse practitioners are representative of the nonphysician health-care providers found in clinics around the Region. Nurses with advanced training that allows them to provide services once restricted to physicians, the nurse practitioners today are recognized as providers of a distinct level of professional health care. Other nonphysician health-care extenders (such as physician assistants), together with the nurse practitioners, have greatly broadened the scope of services possible in a clinic setting. And in fact, many rural health clinics in Appalachia and elsewhere operate successfully on a day-to-day basis staffed with nurse practitioners and/or physician extenders rather than physicians.

Jessie S. Blackburn
Jessie S. Blackburn

Nurse practitioner Kathy Kinsland not only treats most of the patients who visit her clinic in rural Suches, Georgia; she is also on call for such essentials as school visits to adjust the crutches of injured teenagers.

Health Care Advances

In the mid 1970s, Appalachia's nine health demonstration areas (serving 12 states) and ARC's overall approach to health care began to draw national attention. The success of the demonstration area approach became a basis for the health system agencies (HSAs) that today provide local health-planning capacity throughout the nation. The rural health initiative clinics of the Department of Health, Education and Welfare (now the Department of Health and Human Services) also drew upon Appalachia's successful clinic experience in delivering cost-effective primary health care in rural and isolated areas.

Appalachia's attempt to increase the number of health-care providers through effective use of new types of nonphysician health care providers gave early support and acceptance to the nurse practitioners and physician extenders. In addition, ARC was also a very early supporter of the reemergence of the general practice of medicine as a more sophisticated medical specialty now called family practice.

In one of ARC's most effective exercises in advocacy, the Appalachian governors and the federal cochairman fought for passage of national legislation which now permits Medicare and Medicaid reimbursement for services provided by physician extenders in rural clinics. Prior to the 1978 legislation, reimbursement was possible only if a physician was present when the services were rendered. This regulation intensified the financial burdens of small rural primary health-care centers which didn't need and couldn't afford a full-time staff physician. That legislation applies not only to rural clinics in Appalachia but throughout the nation.

In the early 1970s, ARC also took the lead in addressing a health problem unique to coalminers—black lung. Working in cooperation with the National Institute for Occupational Safety and Health, the Commission in 1973 set aside $2 million to initiate the coalminers' respiratory disease clinic project, under which states could get one-time grants to establish and equip black lung diagnostic clinics.

Prior to ARC's involvement in the black lung issue, miners were entitled to worker's compensation only within the bounds of a very narrow definition of the disease. Working with Congress and the United Mine Workers, the Commission helped change the initial standards accepted as proof of black lung to include pulmonary function measurements as well as X rays. The combination of the diagnostic clinics and the change in the medical evidence required as proof speeded up the compensation process for thousands of affected miners. An important spinoff of this program came in the form of a rise in the per capita income in the mining areas that was traced directly to the black lung payments to miners disabled by the disease. In the years since ARC was involved in this issue, the legal definition of evidence for black lung has undergone many further changes.

Raising the level of health care to an appropriate level in medically underserved Appalachia requires a variety of investments, at all levels. To insure that the three-tiered system be strong at all points, the Commission has also funded equipment purchases, operations and facilities (hospitals as well as clinics) where necessary to meet the demand for services. Since 1965, ARC has assisted nearly 300 hospitals to reach the appropriate level of service in their areas. As the number of facilities has increased, however, construction support has become a proportionately smaller share of the total health program expenditures.

ARC has also invested in a wide range of other health programs, including prevention of disease, manpower development and training, medical services, mental health, mental retardation and rehabilitation and emergency assistance to coal field clinics and hospitals. As of the end of FY 1980, ARC had approved health projects totaling $417.9 million, fairly evenly divided between construction grants ($206.9 million) and operating grants ($211.0 million).

Today Appalachia enjoys a much improved health-care system. The network of primary care centers now reaches into many rural and previously medically underserved areas. Through these centers, more Appalachians than ever before have access to a range of services designed to meet their specific health needs.

Progress has been made in increasing and redistributing health care professionals. Between 1963 and 1976, the number of nonfederal doctors rose from 92 to 116 per 100,000 persons. Nurse practitioners and physician extenders have

Jessie S. Blackburn

Kim King, who suffers from multiple handicaps, is receiving therapy at Mississippi's Regional Rehabilitation Center in Tupelo, constructed and equipped with ARC assistance.

broadened the range of services available which the centers can provide in a cost-effective manner.

Remaining Problems

However, while a number of health-care battles are being won, the war is far from over. Many Appalachians who live in rural and other hard-to-reach locations still do not have access to the scope of services needed. Although the Region's infant mortality rate has dropped substantially, too many counties still exceed the national average. Specifically, one-fourth of all Appalachian counties have infant mortality rates averaging one-and-a-half times the national average. Said another way, an infant born in any one of those counties averages a 50-percent greater chance of dying before the age of one year than a child born in a county where the infant mortality rate equals the national average.

For this reason, at the May 1980 Commission meeting the Appalachian governors targeted the reduction of infant mortality as one of four regionwide areas of special concern, the other three being basic educational skills, energy and housing. Each state agreed to use amounts equal to 30 percent of its annual area development funds to attack these problems.

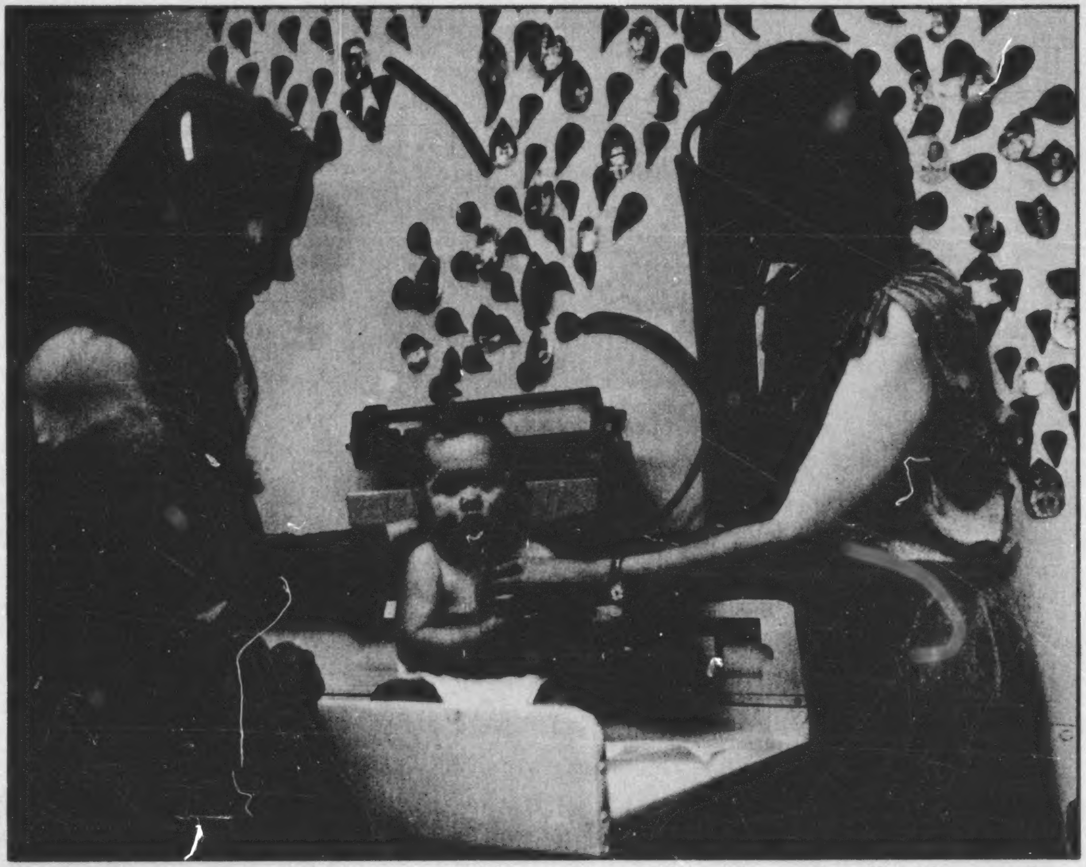
Medical indigency is another very real, very serious problem, especially in Central Appalachia. An ARC-funded study revealed that 25 percent—and in certain areas up to 40 percent—of the Central Appalachian population cannot afford private health insurance and does not qualify for public assistance under Medicaid or Medicare.

The ratio of physicians to every 100,000 of the population is still one-third below the national average.

These and other health-related problems do remain, despite important improvements in the system as a whole. Many areas of the Region still do not have the health care, medical or dental, that is taken for granted elsewhere. This is specially true in the more rural, isolated reaches. Because much of Appalachia still lags behind the nation economically, such crucial issues as the escalating cost of health care are felt even more intensely by the people of the Region.

These conditions set the tone for the ARC's future health priorities. These priorities include: providing basic services to all Appalachians, especially those in the neediest communities; reducing the infant mortality rate; recruiting more health-care professionals; continuing support for state and local health program development and management activities; and developing programs to build links among specialized services such as acute care, chronic inpatient services, alternatives to institutionalization—for example, home care and self-help, especially for the elderly. Demonstrating workable, cost-effective ways to deal with these and other health-care problems like medical indigency is the challenge ARC faces today.

While progress, along with changing national and regional conditions, requires constant reevaluation of effort, the Commission's ultimate goal remains the same: to build a health-care system that is open, accessible and responsive to the needs of Appalachians.



Don Sylor

New York physician assistant Barbara Kowulich is one of the rapidly growing number of health paraprofessionals who are broadening the range of health services available to Appalachians who live outside large cities.

Education

One of the most significant ways in which the 1964 PARC report, and the subsequent ARDA of 1965, differed from all previous economic development programs was the emphasis upon human services as an integral component of positive economic change. The PARC report emphasized, for instance, that educational opportunity appropriate to labor market demands and to individual expectations was essential to economic growth in Appalachia.

While realizing the need to maintain and enhance traditional college preparatory courses, the Commission was keenly aware that the average high school curriculum did not offer training for those who could not afford or were not interested in going to college. Lacking the resources to explore other options, the Region's school systems had for years been unable to meet the needs of students to increase their earning potential or to respond to the labor market demands for new skills. The results: a high dropout rate, a below-average number of college graduates, low adult literacy rates and an economy stymied in part because the educational system was not producing a labor force armed with viable skills.

Given the status of education in Appalachia, the Commission adopted a twofold goal: to teach skills that would enable individuals to get jobs regardless of where they chose to live, and to build into the school systems the capability to respond as the demands for skills changed.

Facilities and Programs

The Commission's first major program was to build the secondary, and to a lesser extent postgraduate, facilities required to implement a comprehensive, regionwide vocational education program. Toward that end, ARC has invested a total of $327.2 million to date in building and/or equipping 681 vocational education facilities.

The regionwide network, now almost entirely in place, concentrates upon offering programs for developing job-oriented skills that provide realistic alternatives to the traditional college-preparatory programs. One of the effects of this program has been a reduction in the dropout rate for Appalachian high school students.

Joan Marcus

Alabama is stressing the teaching of basic skills to elementary schoolchildren through a special ARC-funded demonstration program.

ARC also makes operations grants to initiate new and to refine and expand old programs. Through FY 1980, ARC has funded 92 operating projects at a cost of $19.2 million. These grants include career education and guidance, counseling and placement services projects.

Demonstration programs also have contributed significantly to broadening the vocational and nonvocational education base in Appalachia. Among these demonstrations are the regional education service agencies (RESAs), which enable school systems to pool their resources for specialized teaching services, staff development, special programs and joint purchasing that no single school could afford alone. Through FY 1980, ARC has funded 144 demonstration projects, including RESAs, at a total cost of $26.7 million.

Some of the other programs which were initiated with ARC funds are now entirely state-supported and, in some cases, have been expanded to incorporate non-Appalachian counties as well. For example, the Kentucky Staff-Industry Exchange Demonstration project, conducted by the Kentucky Bureau of Vocational Education, involves teachers, vocational administrators and business and industry representatives in an exchange effort to upgrade and modernize teacher skills and curricula, thus making vocational education in Kentucky more relevant to the needs of business and industry.

ARC education investments have by no means been confined to vocational education, although this area clearly remains a top priority. By the close of FY 1980, the Commission had also provided $94.6 million for construction and equipment assistance to other education projects, primarily to institutions of higher education and libraries.

The Appalachian Community Service Network

Fiscal 1980 was a benchmark year for ARC's innovative educational experiment, the Appalachian Community Service Network (ACSN). Known originally as the Appalachian Education Satellite Project, ACSN in 1980 moved from the umbrella of ARC to independent status as a nonprofit corporation providing satellite-delivered education and community service programming to the Region and beyond.

Its governing board of directors is a group representing a cross-section of Appalachian regional interests (academia, government, business, labor, the media, regional arts) and chaired by Terry Sanford, president of Duke University, former governor of North Carolina and a founding member of the Appalachian Regional Commission. Dr. Harold Morse, for many years director of ARC's education division, is the first president of ACSN.

ACSN began in the early 1970s when three government agencies pooled their efforts to make use of the rapid advances in communications satellite technology: the National Aeronautics and Space Administration (NASA) wanted to test various practical applications of its applied technology satellites, the National Institute of Education was interested in exploring the possibilities of satellite use in education, and ARC saw the potential of satellite transmission for bringing education and training into remote parts of the Region. In-service training for Appalachian teachers was selected for the initial experiment. The program proved to be a very practical, cost-effective method of delivering this training, long identified by the Region's educators as a major need. Within two years, 1,200 teachers had participated in four courses given at 15 classroom sites and accredited by several regional universities and colleges.

During the late 1970s, the program expanded rapidly in response to the needs expressed at the grass-roots and regional levels. The nature of these needs led ACSN to increase its educational offerings. During that same period, the NASA satellite used by ACSN began to deteriorate, and ACSN purchased time on a commercial satellite, RCA's SATCOM 1. By October 1980, ACSN was offering a full 64-hour-per-week schedule of telecourses (accredited by some 45 colleges and universities around the country), teleconferences, workshops and community service programs. The Appalachian audience has grown enormously, too, through the addition of regional cable systems to the network: today the network serves over a million Appalachians.

ACSN

The Appalachian Community Service Network produces many of the programs it offers for credit, like the live seminar (ABOVE) from "Coping with Kids."

Perhaps the most significant testimony to the success of this ARC experiment is the growing nationwide interest expressed in ACSN and its programming. Since the RCA satellite delivers ACSN's program signal nationwide, other cable companies around the country began to buy the service. A quarter of a million Americans outside the Region were subscribers by October 1980.

Remaining Deficiencies

What ARC efforts have amounted to over the past 16 years is an attempt to fill education gaps, revitalize the education system and to expand, on a continuing basis, the educational opportunities available to all Appalachians. Such a goal is not achieved in a year or two, or even a decade. Appalachia still has its deficiencies: in 1976 48 percent of Appalachian adults had less than four years of high school education compared to a national figure of 37 percent. In 1976 the Region was where the nation had been six years earlier: in 1970 48 percent of U.S. adults—compared to 56 percent of Appalachian adults—had had less than four years of high school.

Although adult educational attainment rose in all subregions over this six-year period, the situation in Central Appalachia even in 1976 was still particularly acute, with 62 percent of adults having less than four years of high school (compared to 50 percent in Southern Appalachia and 42 percent in Northern Appalachia).

The proportion of Appalachian adults who had completed four years of college similarly lagged behind the national average in 1976—10 percent of Appalachians compared to 15 percent nationally.

Because of the historically high dropout rates and the lack of educational opportunity, the adult literacy rate lags far behind national averages and regional expectations. While Northern Appalachia reports that 4.3 percent of its adult population aged 25 or over has less than five years schooling (compared to the U.S. average of 5.3), both Southern and Central Appalachia lag far behind with 10 and 15.3 percent, respectively.

The history of low academic achievement that has afflicted a large number of Appalachian families in the past is now casting ARC in another new role. In May 1980, the Appalachian governors selected the development of the basic skills of reading, mathematics and oral and written communications as one of ARC's four areas of special regionwide concern. Each state agreed to use amounts equal to 30 percent of its annual area development funds to attack these problems. In basic skills, ARC will supplement existing state and local efforts aimed at adults as well as children, and will emphasize programs for families that have a poor record of literacy achievement and have been unable to break out of the poverty cycle. Occupational training and retraining can only be effective in enabling unemployed and underemployed adults to take advantage of the new and better job opportunities offered by new industry if they have the academic skills needed to take advantage of the training.

Child Development

Will Fitzgerald

Teaching young children to care for their teeth is the focus of the ARC-supported Project SMILE in Anderson County, Tennessee.

Children, perhaps more than any other segment of the population, are vulnerable to the effects of poverty, often suffering long-term physical and emotional deprivation. Although the Appalachian program was originally designed to provide a wide range of essential services to the total population, early assessments in both health and education gave clear indications that the effects of poverty and the lack of adequate social services were particularly damaging to the Region's children. The Commission recognized the need to demonstrate that a comprehensive approach to the developmental needs of children was a vital element in the long-term development of the economy of the Region. Accordingly, in 1969 the Congress amended the ARDA of 1965, authorizing the Commission "to make grants for the planning, construction, equipment and operation of multicounty health, nutrition and child care projects."

Several factors contributed to the problems faced by preschool children in Appalachia. Prenatal and postnatal care and educational support for families were scarce in some areas, and nonexistent in the remote reaches of the Region. Because many families did not have the advantage of either health education or on-going health care, they were unprepared to recognize the symptoms or the potential dangers of childhood health and education problems. Inadequate nutrition, sparse preschool education, undiagnosed learning disabilities were among the many deficiencies in almost every Appalachian state.

The family-centered services usually provided on the state level were splintered among a variety of agencies. Federal resources were highly fragmented and were generally not reaching rural Appalachia because of lack of interagency planning and managerial skill, and in many areas absence of providers.

Program Emphases

Given the problems faced by Appalachian families in the late 1960s, the Commission initiated the child development program with an emphasis on prevention, coordinated planning and comprehensive programming.

Social research indicated the crucial importance of the early preschool years in establishing limits for future development and opportunity. It was recognized that the lack of basic care in these formative years leads to social and economic costs later in life far out of proportion to the costs of prevention. The preventive emphasis was reflected by limiting services almost exclusively to children under six years of age.

Because of the large number of federal and state service programs and agencies serving young children, an interagency focus for planning was endorsed. Coordination between and among agencies was stressed to avoid fragmentation, obviate service duplication and make full use of other federal, state and local resources.

Finally, a broad program scope was advocated to provide many needed services and allow new approaches to meet state/local needs on a cost-efficient basis.

The services that come under the child development program are varied and wide ranging. Among them are prenatal and postnatal care, infant stimulation, parent education, special education for the handicapped, comprehensive day care and mental health services. Significantly, the ARC approach to child development holds that these services, where possible, should be delivered in the

Kenneth Murray

Tennessee children enjoy a swim on a hot July day.

family setting in a continuing effort to build familial environments in which the benefits will be on-going.

As an example, the Mountain Communities child development program in Duff, Tennessee, offers community-sponsored early childhood education programs for Campbell and Claiborne counties. The project emphasizes preventive special education by offering children between the ages of 0 and 6 years a stimulating education program, a nutritious diet and parental involvement in the development program. The preschool children in the program receive immunizations and physicals so that health-related problems that might hinder their physical or psychological development are identified and taken care of early. In 1980 the founder of the clinic, Tilda Kemplen, won one of five national awards for the greatest public service benefiting a community.

In another ARC-funded project, a regionwide program developed at the School of Public Health of the University of Pittsburgh provides training and technical assistance to the 13 Appalachian states in preventing psychosocial disorders in infancy. Training focuses on emotional and behavioral disorders, learning difficulties, failure to thrive, child abuse and neglect, and an array of infant mortality and morbidity problems. Two project agents from each of the Appalachian states are responsible for facilitating local training and assistance. The project includes workshops, satellite broadcasts and instructional materials.

Since 1965 ARC has provided more than $160 million to projects under the child development program.

Influencing Other Programs for Children

In the late 1970s the Commission actively led efforts to surface child development issues on a broad scale and, in doing so, to develop guidelines and policies for future ARC child development investments. In 1976, the Commission joined the Save the Children Federation in sponsoring a regionwide "State of the Child in Appalachia" conference in Berea, Kentucky. And in 1978 the Commission sponsored a major conference on children, "Raising a New Generation," in Asheville, North Carolina.

The Asheville conference was a policy-level review of the Commission's programs for children and families and contributed significant suggestions for future program direction and investment in basic education, preventive health, comprehensive child care and family support services. A wide range of recommendations and policy guidelines was developed both to improve ARC programs and to further adapt federal programs to rural family needs.

ARC's pioneering efforts in child development programs also surfaced a serious void in the types and amount of federal funds available for low-income working families and especially for day care services. Originally designed to "phase out" after demonstrating new, viable ways of providing services, the Commission's child development program actually encountered increasing demand for funds due to the paucity of and increasing limitations on other federal dollars available to assist the working poor.

When ARC first received child development authority, the Congress set a five-year limit on the funding of any child development project, a step quite in line with ARC's responsibility to demonstrate methods for delivering services that eventually could be funded from other sources. However, Title XX of the Social Security Act, the only major federal source of child development funds, has programmatic and funding constraints that limit its use in providing child care for the working poor. Thus, ARC funds became a major source of support for some of the Appalachian projects.

In 1977, Congress amended the law to extend the funding eligibility from five to seven years, and asked ARC and HEW to study self-sufficiency problems of Appalachian projects. This study was completed in 1978. Under the new ARC legislation pending before Congress, funding eligibility will once again be set at five years, with an exception to permit continued funding at the discretion of each governor for projects which received ARC aid in FY 79. The new legislation will allow ARC to retain its basic demonstration approach while at the same time permitting the latitude to meet a special need. [Editor's note: This legislation was enacted into law in December 1980.]

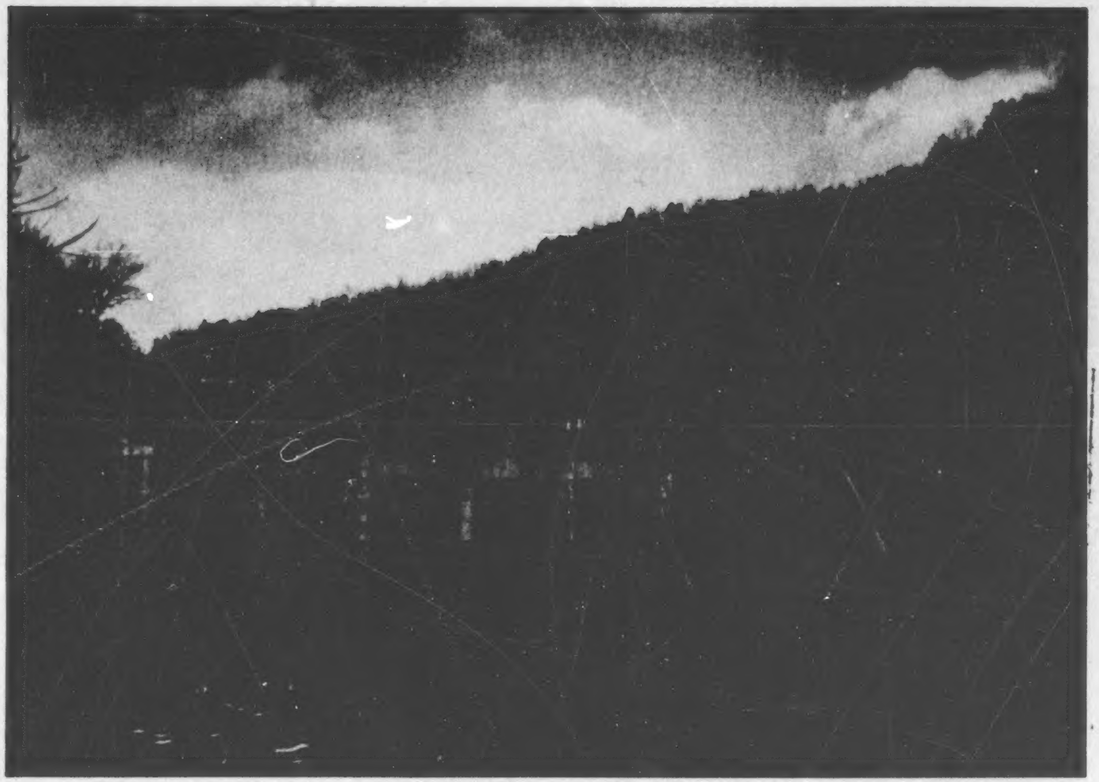
Housing and Community Development

Economic progress depends in large measure upon a community's capacity to provide the housing, public services and amenities that attract and accommodate growth. Safe drinking water, sanitary waste disposal, recreation facilities, adequate and decent housing—all are basic to making a community an attractive place in which to live, work and rear a family.

For generations Appalachia has fought deficiencies in each of these areas. The 1964 PARC report stated that over a quarter of all houses in ten Appalachian states were in need of major repairs; nearly 10 percent were so dilapidated they endangered the lives of the people living in them. Water and sewage deficiencies were calculated in the billions of dollars.

During its early years, the chief community development projects undertaken by the Commission were the building of facilities in areas where they were needed to upgrade the quality of health and vocational training. A variety of Commission grant programs was used to construct hospitals, vocational schools and sewage treatment facilities and, to a lesser degree, airports, parks, libraries and solid waste disposal systems.

While the ARDA required geographical concentration of investments so that a payoff in economic development would be likely, health and education grants were not limited to such growth areas. The one grant program which could assist all facilities for construction, land acquisition and equipment was the supplemental grant assistance program. In these instances, the supplemental grants were used to increase the federal contribution in a project up to 80 percent of the total eligible cost. Later, ARC used this authority when other federal monies were insufficient to permit full funding of a project.



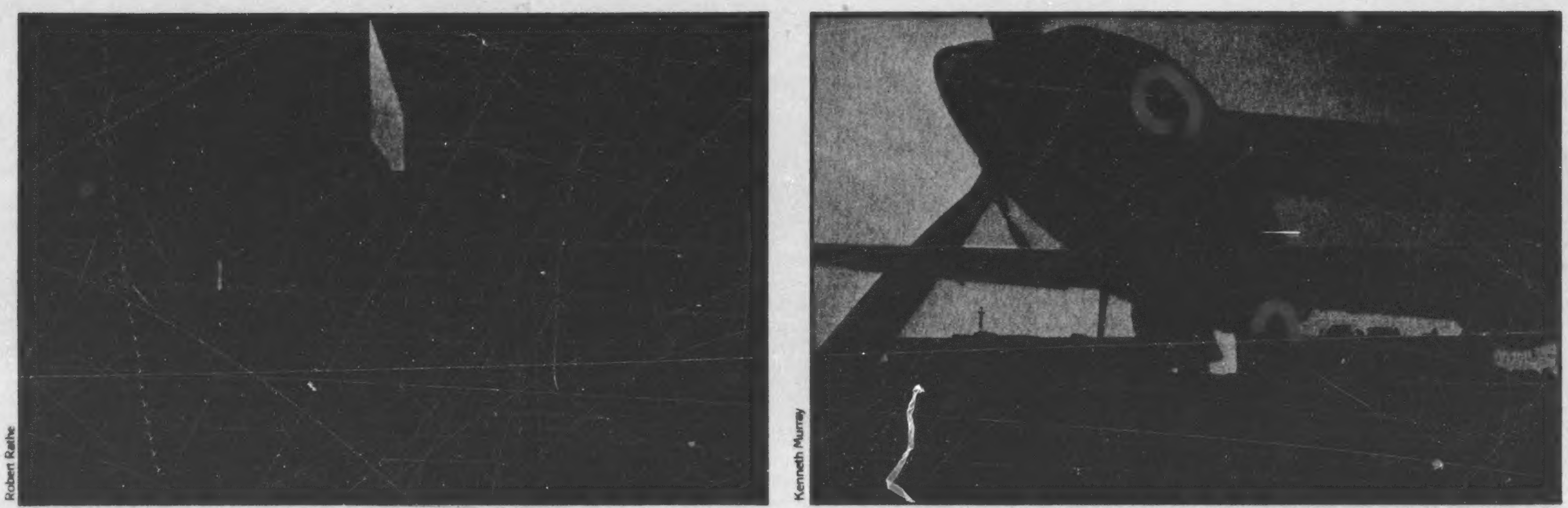
Bill Blanton

Rural residents of the Virginia counties of Dickenson and Buchanan now have an ARC-assisted water system, using water impounded by this dam.

Gradually, as the need for educational and health facilities subsided, the Commission began to fund more projects to build the basic infrastructure capacity necessary to accommodate and attract new growth and development. At this point, water and sewer systems became the dominant recipients of ARC community development funds.

In 1967, the Congress authorized ARC to provide housing assistance for the first time. The authority was limited, however, permitting only loans and grants to low- and moderate-income housing sponsors for the purpose of planning and obtaining insured mortgages under the National Housing Act. Subsequent amendments expanded the use of these seed money loans and grants to other National Housing Act programs and added a technical assistance component. Then, in 1971, new legislative amendments allowed the Commission to provide on-site and off-site development grants for housing projects.

The technical assistance capacity proved crucial to ARC in helping the states organize state housing corporations for financing and developing housing projects. By 1975, 11 of the 13 states had formed such corporations. Between 1968 and 1975, ARC awarded 110 planning loans assisting 12,350 housing units, and 12 site development grants aiding in the construction of 1,100 units.



Robert Rathe

Kenneth Murray

ARC helped finance construction of this library (ABOVE) in Putnam County, Tennessee, and the new air terminal and FAA building at the London-Corbin Airport in Kentucky (RIGHT).

In 1974, the Commission undertook a broad study of housing and community development needs. The results of that study reconfirmed the earlier PARC report's emphasis upon housing and community development needs. According to the 1974 study, an estimated 231,600 housing units occupied year round were beyond repair. The study also estimated the demand for new water systems, sewerage, solid waste disposal and recreational facilities at $7.2 billion ($4.1 billion for wastewater treatment alone, $1.1 billion for parks and recreation, and nearly $1 billion each for water supply systems and solid waste disposal systems).

New Programs Authorized

Legislative amendments in 1975 broadened ARC authority so that the Commission could invest in a broad, flexible range of facilities with options for demonstrating new ideas and techniques to meet the basic needs of the Appalachian Region's communities, to make them more livable, and to attract and increase opportunities for economic development. The program assists three types of communities that are characteristic of the Region's settlements: coalfield communities where increased mining is bringing leaps in employment and population, and strains on basic community facilities and housing supply; remote, rural areas which lack the technical and financial resources to improve their standard of living; and areas experiencing fundamental changes in their economies and population (for example, older towns and cities losing industries and jobs, rapidly growing small towns and cities, and areas with brand-new settlements that must find cost-effective and rapid means to provide public service).

The new and broader emphasis of the 1975 amendments on housing and community development led to a sizable increase in ARC investments in this area, which between 1975 and 1980 jumped from $36 million to over $63 million a year. The largest proportion of housing and community development funds are invested in water and sewer, and housing. Water treatment and distribution, wastewater treatment and sewer collection systems consistently have accounted for over half of the funds awarded every year ($34.4 million in 1980). Reflective of the tremendous demands for these facilities, the investments are made by ARC in participation with EPA, FmHA and HUD in their programs of pollution abatement, rural development and community development.

Housing is the second largest investment area—$10.4 million in 1980. The added flexibility of the 1975 amendments expanded the types of housing that could be assisted and strengthened the states' roles in managing their own housing programs. For instance, the Commission was authorized to provide funds directly to the states to capitalize their own Appalachian housing funds instead of having these programs administered through HUD. Increased use of the demonstration authority and supplemental grants also have made it possible for ARC to address other regional housing needs, including home winterization, housing rehabilitation and a major demonstration effort to build new houses in areas engaged in energy production. Over 16,000 housing units received loan and grant assistance from these programs between 1976 and 1980.

In certain investment areas, housing and community development interests overlap those of other ARC programs. Provision of sewer, water, wastewater treatment, etc., is integral to industrial site development, which generates private and public investments for job creation and is discussed under enterprise development (page 19).

Special demonstrations for enterprise development in energy-impacted areas and the threats natural hazards pose to regional development are also areas where housing and community development work hand in hand with other ARC programs. A specific example is the flood recovery project based in Pikeville, Kentucky, which was funded by the Commission after disastrous floods struck 45 contiguous counties in Kentucky, Tennessee, West Virginia and Virginia in the spring of 1977. This project (also discussed in the chapter "Energy, Environment and Natural Resources," page 34) addresses the related problems of developing flood-free land as an alternative to the development of sites in congested, flood-prone areas and efforts to clear the Tug Fork River to reduce the danger of severity of the floods.

The scarcity of land for housing and for industrial sites is a serious problem in Central Appalachia, where the mountainous terrain and narrow flood-prone valleys limit the availability of developable land. ARC has addressed a number of issues related to this scarcity through research and special projects. Among these efforts were a staff study on land acquisition problems (which, along with proceedings from a seminar on land availability was forwarded to the President's Commission on Coal); the housing problems related to the federal minimum property standards; and the feasibility of a Central Appalachian land bank.

Considerable attention has also been focused on projects that impact on the creation of new housing units and new housing technologies: construction of a housing subdivision on an inactive surface mine site and the revitalization of the small coal towns in eastern Kentucky; new optimum technologies for rural housing; and the construction and evaluation of solar-heated homes.

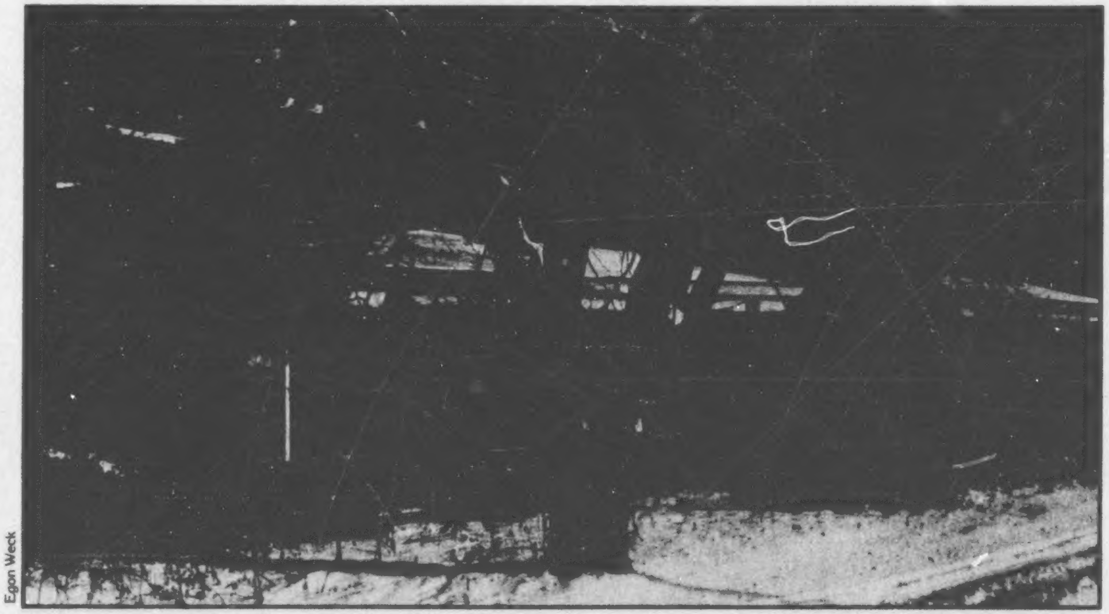
Today's Needs

While the Commission has made inroads into the Region's housing and community development needs, serious deficiencies do remain and must be addressed if Appalachian communities are to share in national economic recovery initiatives. Few Appalachian communities have the financial capability to eliminate these deficiencies unaided. A growing regional population, an improved transportation system that makes the Region more accessible, and rising expectations nationally as to what constitutes an adequate standard of living continue to accelerate the demands for a strong infrastructure that will support growth and make the Region competitive for development.

The resurgence of the coal industry is but one example of how these needs are being generated. A recent report by the Kentucky housing corporation indicated, for instance, that Pike County (a leading coal producer) had a 25-percent increase in households between 1970 and 1977. However, only 11 percent of that increase was accommodated through new housing starts. And, during the same period, the median price of housing rose by more than 500 percent.

Major steps will be required to increase the production of housing and to improve the capacity of the housing delivery system in Appalachia. To address these needs, ARC has implemented a comprehensive training system for state and local housing coordinators that concentrates on the housing development processes of homeownership, repair and rehabilitation, rental housing and site development. Special attention is also being focused on attracting major builders to construct more homes in the Region, and on alternative financing mechanisms for housing in Appalachia.

ARC is also engaged in research and demonstration efforts involving other agencies as part of a long-range program to combat the problems that hinder housing production and community development. A coordinated effort involving ARC, the Tennessee Valley Authority and three Appalachian states is under way to reclaim and utilize responsibly for housing and community development purposes land that has been surface-mined.



Egon Weck

A home repair project supported by ARC in Appalachian Ohio has rehabilitated housing for low-income and elderly homeowners.

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Energy, Environment and Natural Resources

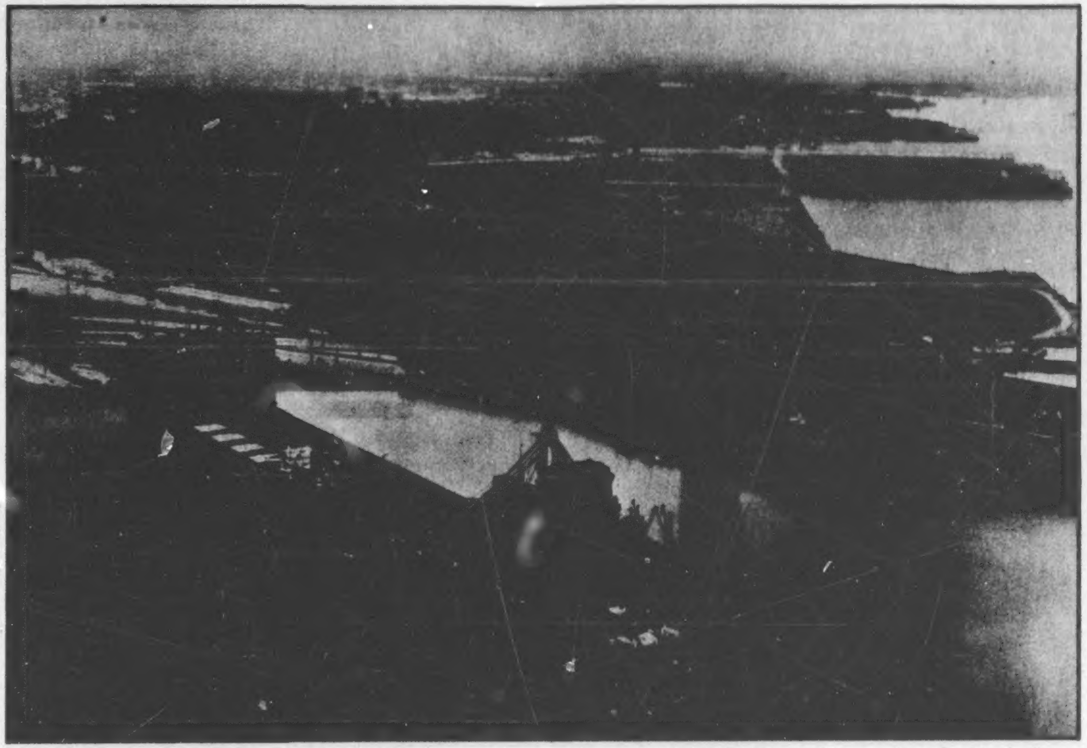
Appalachia is a rich region, from the timbered hillsides to the ribbons of coal beneath the surface of the earth. This wealth of natural resources can be, and has been, both a blessing and a burden over the generations. Although the assumption in 1965 was that coal production would continue, and even be likely to increase, the Commission gave priority to diversifying economic opportunities, and to righting the environmental wrongs that had accumulated over decades of careless mining.

Less than a decade later, when national and international events made it clear that coal was still crucial to U.S. energy independence, the Commission responded by shifting regional priorities to include energy production and related investments as a vital component of the Appalachian program.

Energy

When PARC submitted its report to the President in 1964, coal production was at a low ebb. Once the source of 75 percent of U.S. energy, coal had gradually been displaced by oil and gas in the years since World War II. Until the early 1960s, it supplied under 25 percent of the nation's needs. Always subject to boom-and-bust cycles, the coal industry was in a prolonged slump by the time ARC was created.

PARC did emphasize other problems associated with coal, however: land stripped of vegetation along with coal, polluted streams, underground mine fires and mine subsidence. Looking at the future of coal in the regional economy, PARC noted the rapid rate at which mechanization was reducing mining jobs and concluded that the demand for coal would increase, but that the Region could no longer rely upon it as a major employer. In addition, PARC also recommended against any direct involvement in energy production, specifically gas and the generation of electricity. And as a result, the legislation limited ARC's authority accordingly.



Norfolk and Western Railway Company

All over the world, nations are turning to U.S. coal to replace oil. (ABOVE) Coal ships wait to be loaded at Hampton Roads, Virginia.

In the early 1970s, however, world events took a new turn. The OPEC cartel stemmed the flow of oil and began a systematic increase in pricing. Energy, so long taken for granted, suddenly became a national issue. Since the U.S. has one-fourth of the world's coal reserves (compared to a much smaller share of the global oil reserves), interest in coal production was renewed on both the national and regional levels.

At a meeting in Knoxville, Tennessee, with President Ford in attendance, the Commission in 1975 passed a resolution stating its willingness to adapt regional goals to national priorities. At the same time, however, ARC also stated that a national commitment was needed to help the Region meet the social and environmental costs attendant upon increased production of coal.

The same year, the Congress amended the Commission's legislation, expanding its authority and responsibilities in the area of energy production. With this new authority, ARC undertook a series of preliminary studies aimed at accommodating increased energy production. Immediate research projects included assessments of existing mine pollution; the potential for coal conversion to another energy source or conversion of existing oil or gas-fired boilers to use coal; long- and short-haul energy transportation; and an evaluation of the economic, social and environmental issues likely to be associated with increased energy development.

Several specific issues surfaced as primary impediments to increased production of Appalachian coal. The first—the need for a comprehensive national program to accelerate the conversion of power plants and major industries to coal with the appropriate changes in environmental regulations and development of new technology to allow the burning of coal with a minimum of pollution—is an issue that affects every coal-producing area in the country, including Appalachia. A second issue—the high cost of transporting coal by rail—is also a national as well as a regional dilemma.

However, the Region faces additional problems, two in particular: the high cost of building and maintaining coal haul roads (discussed in more detail in the chapter on transportation, page 15) and an escalating housing shortage in communities serving new and/or substantially bigger mining operations (for more details see the chapter on housing and community development, page 29).

Many of these issues were addressed at an October 1979 regional energy conference sponsored by ARC in Binghamton, New York, where participants discussed the increased use of coal. Three specific areas where the Commission could have the most effect were defined—increased production and use of coal, energy conservation and the development of other alternatives to oil. An energy resolution was passed at the Commission meeting that concluded the conference. The resolution allocated up to $3 million in ARC funds for economic development projects related to energy.

The Commission also restated its position that energy-related policies must be formulated in a manner that would allow Appalachia to continue to build upon the hard-won economic and social progress of the past 15 years.

While coal is the Region's major energy resource, ARC has not limited its energy interests to coal alone. Solar; low-head hydro; use of municipal and industrial wastes for energy production; and Appalachia's abundant low-grade hardwoods and other biomass are all being examined as possible substitutes for or supplements to petroleum and natural gas. Conservative use of all energy forms continues to be stressed through projects demonstrating conservation techniques for residential, industrial and institutional consumers.

Bill Blanton

Bill Blanton

Environment and Natural Resources

While energy has emerged only in recent years as a major component of ARC's program, environment and natural resources have been ongoing concerns since 1965. The environmental activities addressed the results of mining (mine fires, land reclamation, subsidence and acid mine drainage); other health-threatening environmental problems (solid waste disposal and wastewater treatment); environmental cleanup (bulk collection and junk car removal); and natural hazards. Still others focused upon developing the Region's natural resources, agriculture and timber in particular.

Because of the nature of the environment and natural resources emphasis of the original Appalachian legislation, the Commission's activities have emphasized research and technical assistance. The purpose has been to identify the major policy issues facing the Region and to provide the Commission with the background information and analysis necessary to shape policies and set priorities.

As of the conclusion of FY 1980, the Commission had invested almost $107 million in environmental and natural resources projects. Those investments break down as follows: subsidence, $27.9 million; solid waste disposal, $24.8 million; land stabilization, $19.4 million; mine fire control, $15.7 million; acid mine drainage control, $3.7 million; strip mine reclamation, $2.9 million; refuse bank cleanup, $2.6 million; well capping, $301,000; and agriculture, natural resources and timber development, $877,000. Also a part of this total is $2.7 million for flood-related projects and a special one-time grant of $6 million for a demonstration to clear a stream to reduce the incidence and severity of flood in a chronically flood-prone area.

(TOP) An Appalachian coalminer. (BOTTOM) Washed and sorted coal at the Beckley no. 2 preparation plant of the Ranger Fuel Company, Pittston Group, in Bolt, West Virginia, is stored on stockpiles before shipment.

The Region's environmental problems have not resulted solely from extractive industry, either. Natural hazards, solid waste and wastewater also have had an impact on the quality of the environment—and continue to have one.

A study implemented in accordance with a 1975 amendment to the Act identified high-risk hazard areas, with special attention to mudslides, landslides, sink holes, subsidence and the occurrences of floods, tornadoes and other major natural hazards. The study's analysis of their effect on the basic process of economic development and growth revealed that, although loss of life and property has many times caused short-term problems (particularly in the case of flooding), the impact of these and other hazards has not materially deterred long-term development. As the study suggested, ARC now follows a policy that encourages development in areas where natural hazards are unlikely to occur, recognizing that while this process takes place, ARC must continue to initiate projects to help protect existing populations in hazard-prone areas.

Ironically, while the study was under way in 1977, major destructive floods struck 45 counties in Central Appalachia; Johnstown, Pennsylvania; and 16 counties in western North Carolina. In each case, ARC provided funds to develop long-term recovery plans. In addition, a special flood recovery project staff, funded jointly by ARC and the participating states, has been established in Pikeville, Kentucky. As part of this overall effort, ARC and the National Oceanic and Atmospheric Administration are funding development and implementation of a flash-flood warning system for the entire Region.

At the same time, ARC is involved with a number of agencies including the Economic Development Administration, the Department of Housing and Urban Development, and the Corps of Engineers in efforts to clear the Tug Fork River basin and to identify and develop flood-free sites in Central Appalachia as an alternative to further development in the flood plains.

Pennsylvania Department of Transportation, District 10-0

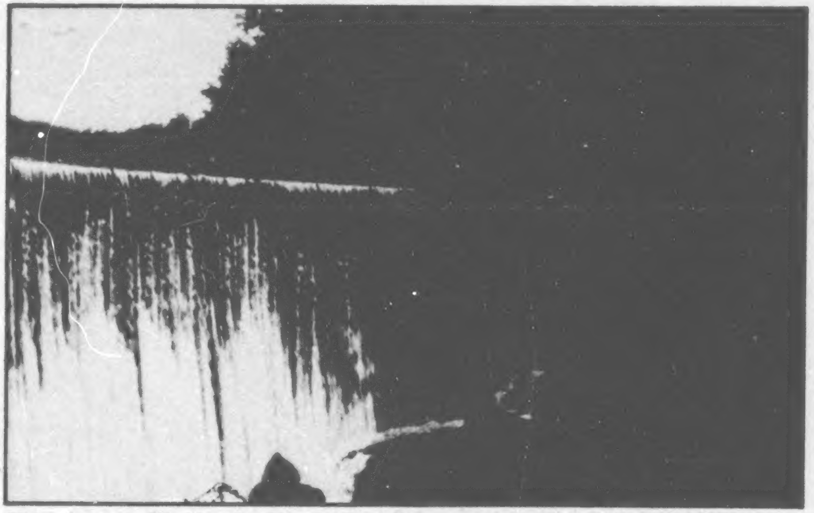
Potholes are common on roads where coal traffic is heavy, as here in Indiana County, Pennsylvania.

Both solid waste management and wastewater treatment also have posed serious environmental problems for ARC. Although ARC has been active in this area since 1968, it wasn't until passage of the Resource Conservation and Recovery Act of 1976 and the Toxic Substances Control Act that improved solid waste management became a national priority.

A research project completed in fiscal year 1980 addresses solid waste management problems peculiar to the Region, mainly those associated with low-density populations and the rugged Appalachian terrain. Typical problems cited in the study that need solutions include absence or duplication of refuse collection services, unsanitary garbage disposal at landfill sites, high fuel costs in collecting solid waste, inability of rural communities to finance a continuing waste collection system and inadequate funds to purchase the equipment needed to collect, transport and dispose of solid waste.

Solid waste recovery was one of the topics addressed at the energy conference in Binghamton, New York, where the Commission adopted a resolution incorporating solid waste recovery projects as part of an energy-incentive program. Several projects have already been submitted under that initiative.

The Region's widely dispersed population also makes wastewater treatment a serious problem. ARC's development of one alternative system to conventional sewage treatment works (see the chapter on "Housing and Community Development," page 29) and its successful demonstration in several Appalachian states contributed to the Environmental Protection Agency's decision to fund alternative systems in municipalities with populations of 3,500 or less.


Missy Mandell

This dam at Highlands, North Carolina, once produced hydroelectric power for nearby communities and could be renovated and put back to work again.

Jessie S. Blackburn

Conserving energy is important in helping Appalachian farmers become more economically competitive.

Current Priorities

Given the national energy priority, coal continues to be a top regional priority. However, that priority encompasses not only increased production of coal but also the associated social and environmental costs; promotion of appropriate new technology; transportation costs; and the advocacy of national policies that encourage greater use of this abundant natural resource.

At the same time, however, ARC will continue to pursue natural resources and environmental policies which ensure that the Region incurs minimum damage from the extraction of its natural resources and which address the other environmental problems that directly affect the quality of life in Appalachia. ARC will also focus on developing planning and management skills for energy conservation, at the state and local level.

A project started by the Maryland Department of Economic and Community Development reflects ARC's concern for environmental policies. The 1977 Clean Air Act Amendments (CAAA) specify guidelines for new industry location or industry expansion. The Maryland project recommended using the laws of the marketplace to promote air pollution control while encouraging industrial expansion within guidelines set by the CAAA.

Three policies were proposed. In existing industrial areas where air pollution levels fall within federal standards, a prospective or expanding industry could bargain with an existing firm to reduce its emission levels. The second policy applies to areas where total emissions violate federal standards and will be reduced by a certain rollback to approach standards set by the CAAA. After states determine rollback levels, industries can bargain among themselves to decide who will take how much responsibility for the reductions. The third policy allows new industries to locate and obtain pollution permits on a first-come-first-served basis. After pollution levels reach the federal ceiling, the marketplace mechanism would govern entry of new firms.

An energy conservation project, one of the first demonstration projects announced to implement an interagency agreement signed by ARC, the Tennessee Valley Authority and the U.S. Department of Agriculture, was designed to aid small farmers. Fifty farmers and residents in north Georgia will learn to use new farm technologies and energy conservation to produce high-value crops and livestock. Through this project, small farmers will be provided with a high degree of technical marketing and production assistance to demonstrate ways to achieve economic success.

Finances

In the 16 years the Appalachian Regional Commission has been in existence, through September 30, 1981, Congress has appropriated a total of $4.58 billion for the Appalachian program (see Table 4, right). Of this total, $2.8 billion has been for the highway program and $1.8 billion for the nonhighway program.

Authorizations and Appropriations

The federal share of ARC funding is provided by Congress in two stages, first authorizations and then appropriations, as is the case with most federal programs. Authorizations establish both the scope of program activities and the maximum limits on amounts that may be made available to carry out these programs. For the Appalachian program, authorizations of funds for the nonhighway portion of the program have been provided for two-year periods, and for the highway program for longer periods, usually four to five years.

Within the ceilings established by the authorizations, Congress then provides annual appropriations for the Appalachian program, generally not for the full amounts authorized.

Highway Funds

The original amount authorized for the ARC highway program in 1965 was $840 million and covered a six-year period, to 1971 (see Table 5). Since that time Congress has raised the total authorization to $3.2 billion through 1982 as more miles have been added to the system and as the costs of construction have risen with inflation. Neither the original authorization nor the increased funding, however, would be enough to complete the system. The total amount actually appropriated to date for highways, through fiscal 1981, is $2.8 billion.

Table 4

Appropriations for Appalachian Regional Development Programs

(in thousands of dollars)

		Nonhighway			
Fiscal Year	**Highway**	**Area Development**	**Research and LDD**	**Administrative**	**Total**
1965-66	$ 200,000	$ 103,450	$ 2,500	$ 1,290	$ 307,240
1967	100,000	54,700	2,750	1,100	158,550
1968	70,000	55,100	1,600	746	127,446
1969	100,000	70,600	3,000	850	174,450
1970	175,000	101,958	5,500	932	283,390
1971	175,000	119,500	7,500	968	302,968
1972	175,000	115,000	7,000	1,113	298,113
1973	205,000	127,000	11,000	1,217	344,217
1974	155,000	107,500	7,500	1,492	271,492
1975	160,000	125,000	8,500	1,747	295,247
1976	162,200	117,500	8,500	1,870	290,070
Transition Quarter	37,500	8,000	4,500	495	50,495
1977	185,000	109,500	8,500	1,925	304,925
1978	211,300	105,000	7,400	2,083	325,783
1979	233,000	137,923	7,700	2,297	380,920
1980	229,000	120,000	7,500	3,105	359,605
1981	214,600	78,400*	6,300*	3,192	302,492*
Total	**$2,787,600**	**$1,656,131***	**$107,250***	**$26,422**	**$4,577,403***

*After rescission.

Nonhighway Funds

Appalachian nonhighway funds have been used for a number of programs, including health, vocational and other education, mine area restoration, housing, water and sewer treatment, other community facilities, land stabilization, timber development, support of the multicounty local development districts (LDDs), research and supplemental grants. Originally, these funds were allocated to each state in a specific amount for each program then in existence. In 1971, Congress changed this system of authorization by allocating the nonhighway funds as a block. In response to this Congressional action, which gave the Commission greater flexibility in investing its funds according to individual state priorities, the Commission designed a new allocation system under which each state was given a single allocation, called an area development allocation, for four major programs: health and child development, vocational education, mine area reclamation and supplemental grants. Each state could determine how much of its area development allocation it wanted to use for each of these programs.

Since 1975, this single allocation system has expanded to cover all ARC nonhighway programs, except for Commission research and evaluation and the support of the LDDs.

The area development appropriation is divided among the states according to a formula that takes into account the land area, the population and the per capita income of the Appalachian portion of each state.

Table 5
Appalachian Highway Authorizations
(in millions of dollars)

Appalachian Legislation	Period Covered		Amount of Authorization Added	Amount of Authorization Cumulative
1965 Act	through	1971	$840.0	$ 840.0
1967 Amendments	through	1971	175.0	1,015.0
1969 Amendments	through	1973	150.0	1,165.0
1971 Amendments	through	1978	925.0	2,090.0
1975 Amendments	through	1981	840.0	2,930.0
1980 Amendments	through	1982	260.0	3,190.0

Cumulative authorization through 1981, $2,975 million.
Cumulative appropriation through 1981, $2,787.6 million.
Lapsed authorization through 1981, $187.4 million.

REGIONAL REHABILITATION CENTER

Jesse S. Blackburn

Mississippi's ARC-assisted Regional Rehabilitation Center offers screening, therapy, training and rehabilitation services for handicapped adults and children.

Sources of Funding

The commitment of the federal-state partners to the ARC process is demonstrated by the fact that the responsibility for funding is shared just as the decision-making process is. Appalachian and other federal funds have made up 60.2 percent of the total costs of all Appalachian projects (61.6 percent of highway projects and 59.0 percent of nonhighway projects—see Table 6 on page 38). The remainder of the costs has been paid by state, local and/or private funds, so that the federal government on the one hand and state, local and private funds on the other have invested close to equally in the program.

Over the years, the federal share of funding for grant-in-aid projects has been increased by legislation, and this increase is reflected in the Appalachian program. During the initial years, the federal share of the ARC highway program was slightly over 50 percent, but rose to 74.2 percent in fiscal 1980. The federal share of the nonhighway funding has also risen over the years, although not so steeply—from an original share of about 50 percent to 60.7 percent in fiscal 1980.

Supplemental Grants

Because of their rural character, their relative poverty and their low tax bases, many Appalachian states and communities found it difficult to come up with the matching share required by law in many programs before federal funds can be granted. Although they were eligible in all other ways for grants for the construction of basic public facilities, before the existence of ARC they often could not take advantage of a number of federal programs.

In response to this problem, Congress designed a unique feature of the Appalachian legislation, the supplemental grant program. Under this program, the federal share in grant programs may be raised (from the usual 30 to 66 percent) to as much as 80 percent of the cost of construction, so that the state or community can participate by putting up as little as 20 percent as its matching share. The Appalachian states have used supplemental grants to construct many types of public facilities, including vocational education schools, colleges, health

Table 6

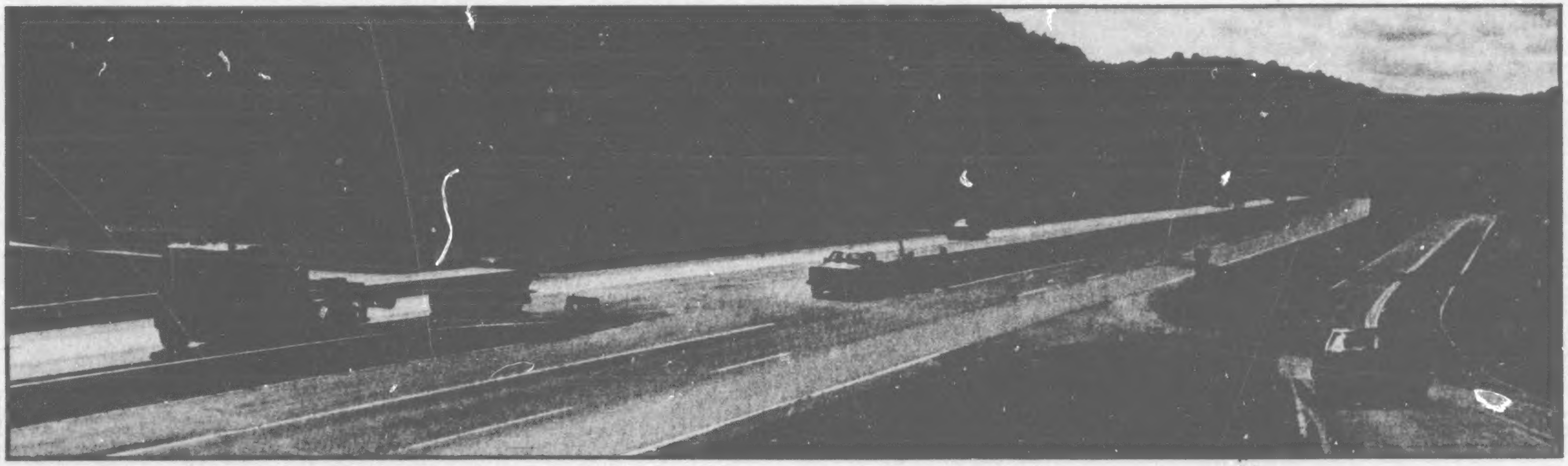
Distribution of Total Costs Among Various Sources of Funds for Approved Projects

(in millions of dollars)

	Highway Projects								Nonhighway Projects							
	1980 Program				Cumulative through 1980				1980 Program				Cumulative through 1980			
Appalachian Funds	$212.7	74.2%			$2,539.7	61.6%			$131.1	26.4%			$1,689.7	31.0%		
Other Federal Funds									170.4	34.3			1,527.3	28.0		
Total Federal			$212.7	74.2%			$2,539.7	61.6%			$301.5	60.7%			$3,217.0	59.0%
State Funds	73.8	25.8			1,573.0	38.2			29.4	5.9			478.0	8.8		
Local Funds	.1				8.9	.2			166.2	33.4			1,754.4	32.2		
Total State and Local			73.9	25.8			1,581.9	38.4			195.6	39.3			2,232.4	41.0
Total Eligible*			$286.6	100.0%			$4,121.6	100.0%			$497.1	100.0%			$5,449.4	100.0%

*Ineligible costs of projects, which are not eligible for matching federal grants, must be borne by the applicants.

Note: Through September 30, 1980, there was $566 million in ineligible project costs for nonhighway programs.



Bill Blanton

Appalachian Corridor E (left) parallels old U.S. route 40 (right) for some distance across western Maryland.

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facilities, water systems, sewage treatment plants, recreational facilities, libraries and airports.

Each year the Commission utilizes supplemental grants funds in a slightly different manner, in accordance with priorities determined at the time by the Appalachian states (see Table 7). The proportion used for water, sewer and sewage treatment facilities, which previously amounted to about 20 percent of these funds, rose steadily—from 38 percent in fiscal year 1973 to nearly 70 percent in fiscal year 1978, dropped to 57 percent in 1979 and rose to 58 percent in 1980. In 1980 industrial site development and community improvement utilized 24 percent of these funds, as compared to 21 percent in 1979 and 13 percent in 1978.

Health facilities, on the other hand, which once accounted for about 26 percent of these funds, utilized about 17 percent in 1975 and dropped to less than 2 percent in 1979 and 1980. The share of education projects has dropped from an earlier 57 percent to 13 percent in 1979 and 7 percent in 1980.

It should be noted, however, that these amounts do not reflect completely the amounts of ARC funds used for construction of health and vocational education facilities since these may also be funded under ARC's basic health and vocational education programs.

Fiscal 1980

Tables showing the funds approved for nonhighway projects in fiscal 1980 for each state, by program category, appear beginning on page 46. A summary table, totaling these figures for the Appalachian Regional Commission as a whole, appears on page 45.

Table 7

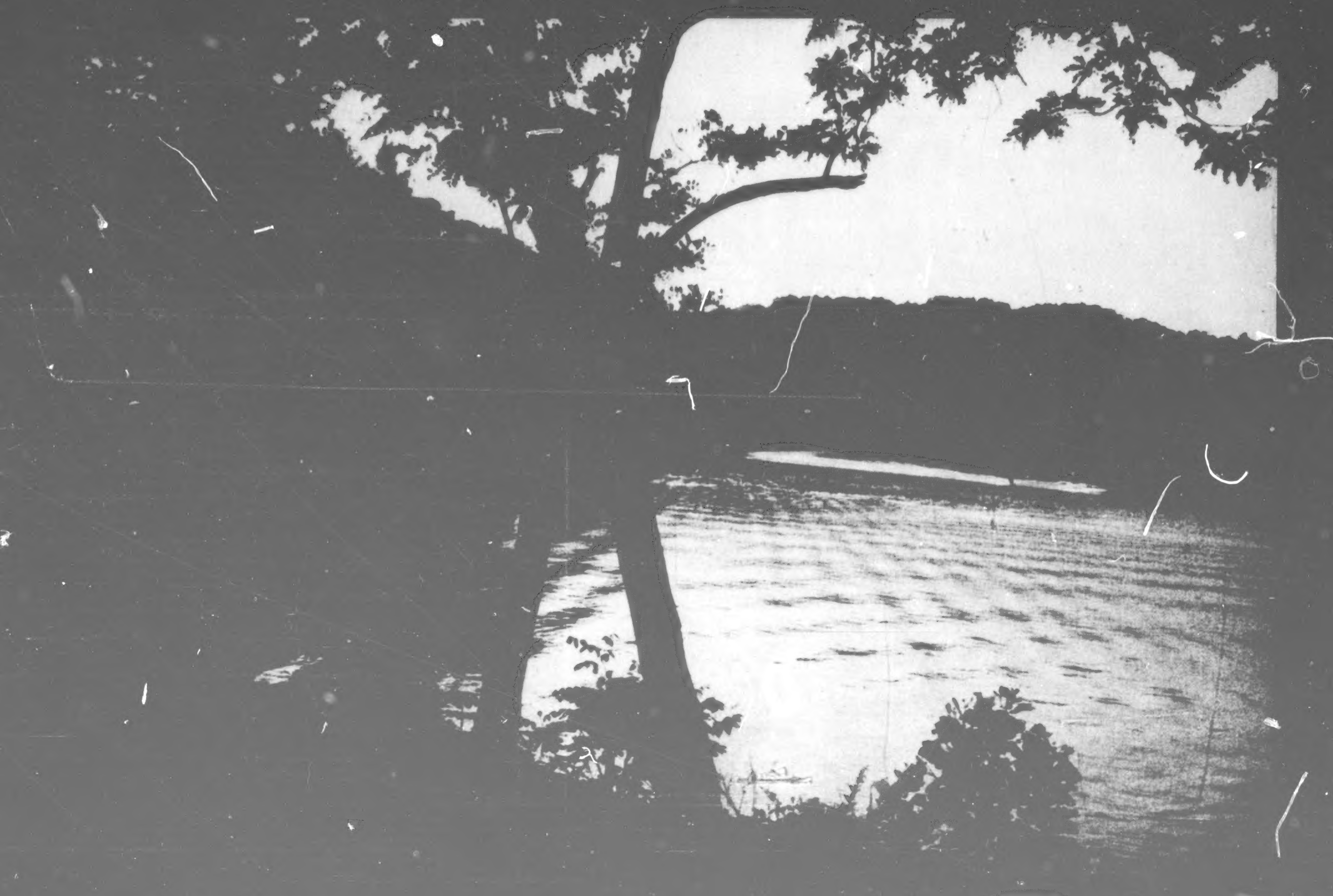
Supplemental Grant Projects Approved by Type of Program

(in thousands of dollars)

	1980 Program			Cumulative through 1980		
	No.	Amount	Percent	No.	Amount	Percent
Community Development:						
Water System	68	$22,582	38.0%	477	$136,798	21.56%
Waste and Sewer	15	3,299	5.6	92	23,978	3.78
Waste Treatment	31	8,517	14.3	426	86,723	13.67
Recreation and Tourism	12	2,991	5.0	141	23,285	3.67
Community Improvement*	11	2,989	5.0	72	18,742	2.95
Industrial Site Development	47	12,026	20.3	110	28,699	4.52
Airports	2	738	1.3	149	18,103	2.85
Other	1	120	0.2	5	1,141	0.18
Subtotal	**187**	**$53,262**	**89.7%**	**1,472**	**$337,469**	**53.18%**
Education:						
Vocational Education	6	$ 625	1.1%	575	$ 83,753	13.20%
Higher Education	4	1,751	2.9	242	61,971	9.76
Libraries	9	1,919	3.2	161	19,153	3.02
ETV and NDEA	0	0	0	102	14,828	2.34
Subtotal	**19**	**$ 4,295**	**7.2%**	**1,080**	**$179,705**	**28.32%**
Health Facilities	**4**	**$ 973**	**1.6%**	**456**	**$107,701**	**16.97%**
Other Programs**	**5**	**$ 865**	**1.5%**	**62**	**9,736**	**1.53%**
Total	**215**	**$59,395**	**100.0%**	**3,070**	**$634,611**	**100.00%**

*Includes neighborhood facilities.

**Includes solid waste (2 projects in 1980 for $175 million, 43 projects cumulatively for $7,051 million).



Jenny Wiley State Park Kentucky

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Part II
Fiscal Year 1980

Near Holston Mountain in Carter County, Tennessee

Fiscal Year 1980: An Overview

In the first year of the new decade, the Appalachian program continued its efforts toward revitalization of the Region's economy. During fiscal year 1980 over a thousand nonhighway projects were approved by the Appalachian Regional Commission (ARC) for a total funding of almost $136 million. By year-end, almost 60 percent of the Appalachian Development Highway System was completed or under construction.

ARC investments in highways, public facilities and training and care for the Region's citizens continued to pay off in terms of new jobs in new and expanded industries. Per capita income rose, and the level of poverty declined. More people were moving into the Region than were moving out.

But there continued to be dark spots in the picture. Like the nation, the Region was suffering from inflation and the rising cost of energy. Unemployment in Appalachia rose substantially, almost one and a half times as fast as national unemployment. The nation had not turned to coal to the extent the Region had hoped to replace expensive oil, and unsold coal piled up throughout the Region.

During the year it became clear that for the present the big new market for Appalachian coal was abroad. Europe was moving much more rapidly than the United States to convert from oil-burning boilers to coal, and since the production cost of coal in Europe is high, demand for U.S. coal, both steam and metallurgical, rose sharply and seemed likely to continue to rise. Had it not been for bottlenecks in rail transportation to U.S. ports and lack of sufficient facilities at the ports, in fact, sales of U.S. coal abroad would have been even larger.

At the beginning of the fiscal year ARC sponsored a regional energy conference in Binghamton, New York, which focused on the increased use and production of coal, conservation of energy and the development of other alternatives to oil. As a result, a $3-million special fund was allocated to economic development projects related to energy. Projects undertaken during the year included, among many others, an interagency project involving the Tennessee Valley Authority (TVA) and the U.S. Department of Agriculture (USDA) in helping small farmers in Georgia use new technologies to conserve energy while producing high-value crops, a countywide experiment in Alabama investigating how much energy could be saved and how greatly energy costs cut throughout the entire county, and preparation for construction of housing developments in coal-mining-impacted areas in Kentucky, Tennessee and Virginia.

To target ARC investments on areas of regionwide concern, the Appalachian governors voted in May to allocate priority funding for projects in four areas: infant mortality, basic education skills, energy and housing. The states select among these

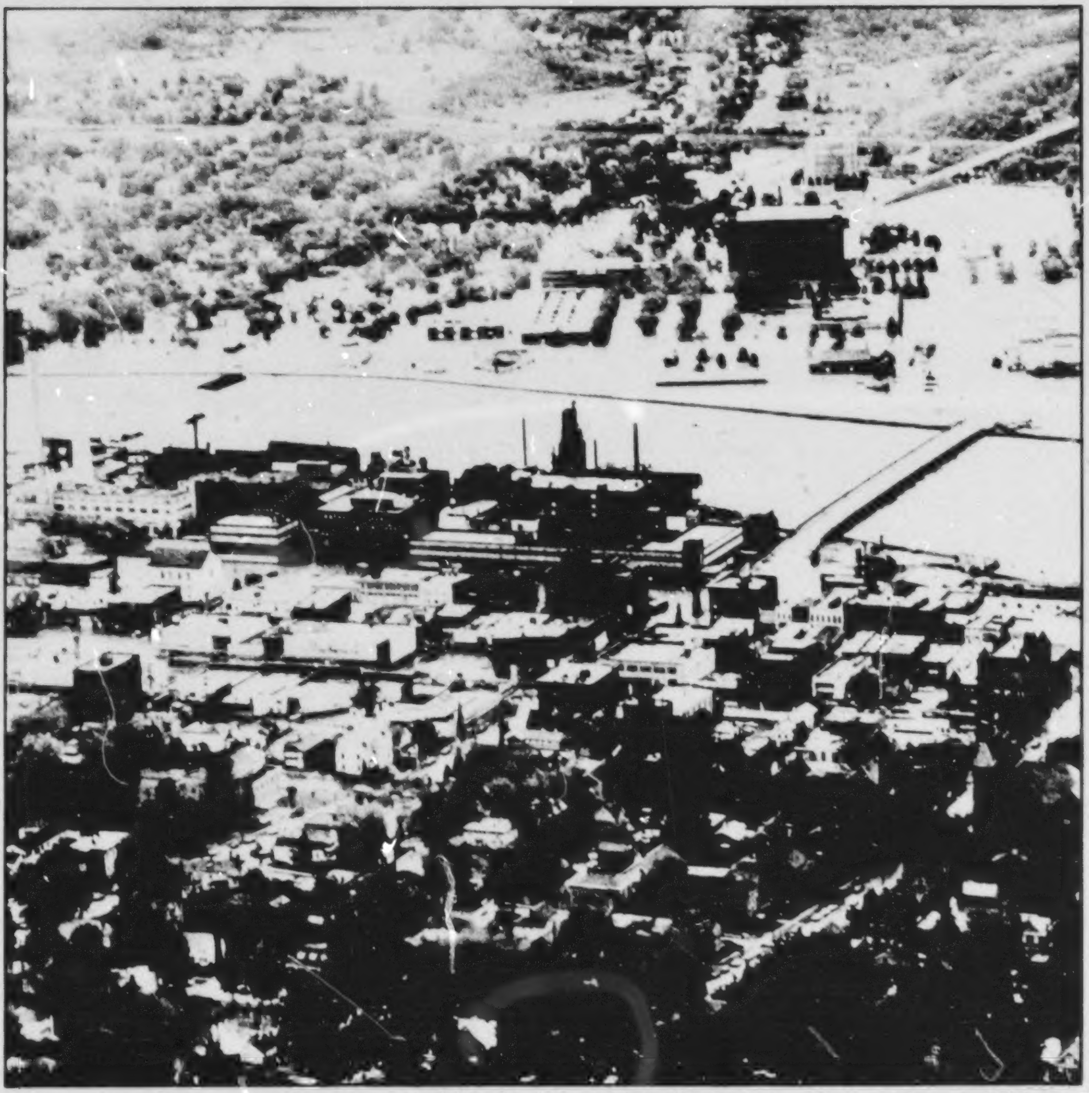
Priority funding has been voted by Appalachian governors for programs to reduce infant mortality. One successful program is northwest Georgia's Maternal and Infant Care Program.

areas the needs they feel are strongest among their citizens. In fiscal year 1980 they:

- funded a wide-ranging series of energy projects, including those described above
- introduced campaigns to lower infant mortality in Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania and South Carolina.
- approved projects designed to help Appalachian children in Alabama, Mississippi, New York, North Carolina and South Carolina attain better reading, writing and communication skills
- began preparation or construction of housing developments in Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, Virginia and West Virginia.

The ARC/TVA/USDA small-farmer project mentioned above was only one of a series of demonstration projects the three agencies agreed to cooperate on during the year. Others involved housing in coal producing areas, reduction of infant mortality and energy management. In addition, ARC undertook cooperative activities with the U.S. Army Corps of Engineers, the Department of Housing and Urban Development, the Federal Emergency Management Administration and the National Oceanic and Atmospheric Administration to tackle the serious recurrent flooding problems in parts of the Region, especially Central Appalachia.

By the end of the year there was much to indicate that the Region's economic health had indeed improved, but Appalachia still lagged behind the nation in a number of respects. Rural poverty in the Region, especially in Central Appalachia, is still much more prevalent than in the nation as a whole. Substandard housing is almost one-third above the national average. In 388 of the 397 Appalachian counties per capita income is still below the national average. Infant mortality is high; diseases such as hepatitis, tuberculosis, measles and rubella are more common in the Region than the nation. Erratic swings of employment in the coalfields continue to create abnormal demands on community resources. Appalachia is still a capital-short region, without the military and defense industries that bring public capital into other areas of the country.



Flooding is a recurrent problem for much of Appalachia. (ABOVE) Elmira, New York, on June 23, 1972.

The Sequatchie Valley in Rhea County, Tennessee.

Appalachian Regional Commission

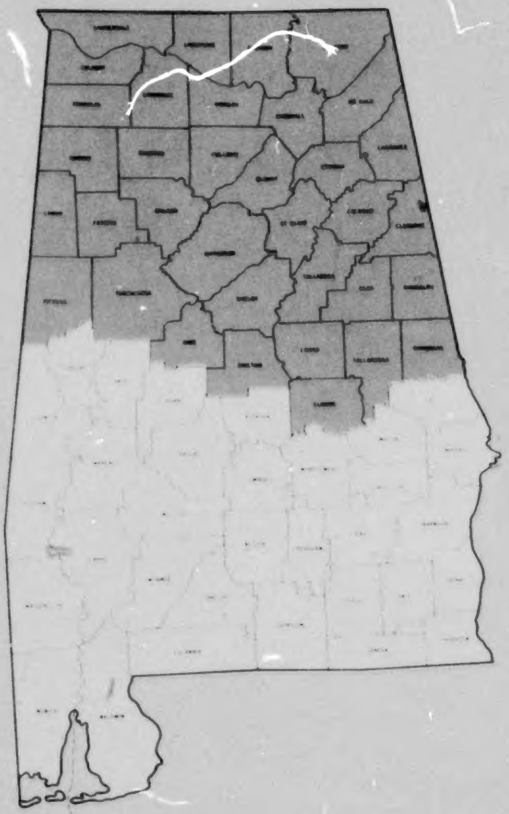
Project Totals Approved in Fiscal Year 1980

(in thousands of dollars)

Program Category	ARC Share			Other Federal Funds	State and Local Funds	Total Eligible Cost
	Number of Projects	Amount	Percent of Total ARC Funds			
Health	201	$ 18,129	13.3%	$ 2,053	$ 14,578	$ 34,760
Child Development	151	11,199	8.2	4,969	8,783	24,952
Vocational and Other Education	138	18,800	13.8	392	13,242	32,435
Community Development	206	52,864	38.9	129,059	105,883	287,806
Energy and Enterprise Development	99	9,437	7.0	506	10,435	20,377
Environment and Natural Resources	40	4,164	3.1	1,867	1,586	7,617
Other Programs and Special Demonstrations	14	1,256	.9	514	1,563	3,333
Housing	22	10,350	7.6	380	174	10,903
LDD Planning and Administration	76	5,802	4.3	0	1,723	7,525
Research and Technical Assistance	76	3,902*	2.9	0	377	4,279
Total	**1,023**	**$135,902**	**100%**	**$139,740**	**$158,343**	**$433,986**

*Includes $1,619 thousand in Commissionwide research and technical assistance.

Alabama



Population
(in thousands)

	1970	1980	Percentage of Change 1970-80
State Total	**3,444.4**	**3,890.1**	**12.9%**
Total of Counties in Appalachia	**2,137.4**	**2,427.0**	**13.6%**
Bibb	13.8	15.7	13.8%
Blount	26.9	36.5	35.8
Calhoun	103.1	116.9	13.4
Chambers	36.4	39.2	7.8
Cherokee	15.6	18.8	20.2
Chilton	25.2	30.6	21.6
Clay	12.6	13.7	8.4
Cleburne	11.0	12.6	14.5
Colbert	49.6	54.5	9.8
Coosa	10.7	11.4	6.7
Cullman	52.4	61.6	17.5
De Kalb	42.0	53.7	27.8
Elmore	33.7	43.4	28.9
Etowah	94.1	103.1	9.5
Fayette	16.3	18.8	15.7
Franklin	23.9	28.4	18.5
Jackson	39.2	51.4	31.1
Jefferson	645.0	671.2	4.1
Lamar	14.3	15.5	14.8
Lauderdale	68.1	80.5	18.2
Lawrence	27.3	30.2	10.6
Limestone	41.7	46.0	10.3
Madison	186.5	197.0	5.6
Marion	23.8	30.0	26.3
Marshall	54.2	65.6	21.0
Morgan	77.3	90.2	16.7
Pickens	20.3	21.5	5.7
Randolph	18.3	20.1	9.5
St. Clair	28.0	41.2	47.4
Shelby	38.0	65.9	73.2
Talladega	65.3	73.8	13.1
Tallapoosa	33.8	38.7	14.3
Tuscaloosa	116.0	137.5	18.5
Walker	56.2	68.7	22.1
Winston	16.7	22.0	31.8

County figures for 1970 are from the 1970 Census; figures for 1980 are from the 1980 Census of Population, *Advance Reports*, Alabama (PHC80-V-2), tabulated by ARC staff and data systems.

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Richard Bloom

Joan Marcus

(ABOVE) In Alabama, the Appalachian Mountains are gently rolling hills, as in this part of Marshall County. (RIGHT) Governor Fob James has adopted a demonstration program to ensure that Alabama schoolchildren acquire the fundamentals of reading and mathematics early and well.

Project Totals Approved in Fiscal Year 1980

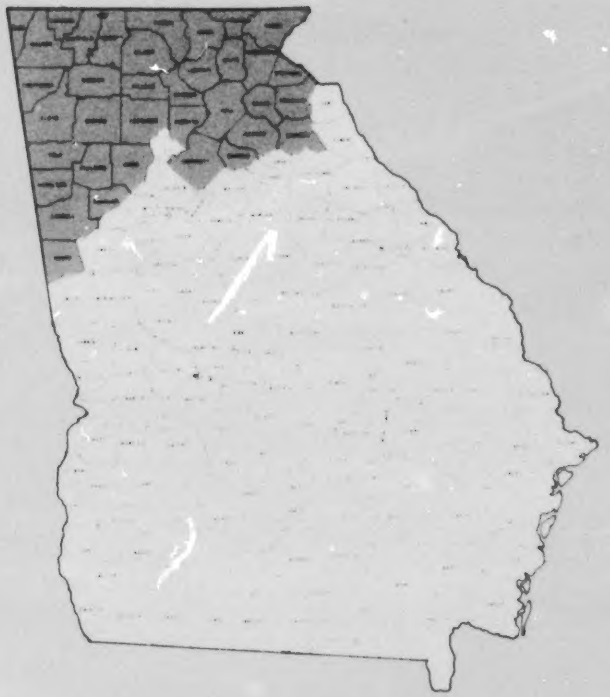
Program Category	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Cost
Health	$ 3,571,611	$ 6,000	$ 2,780,959	$ 6,358,570
Child Development	1,316,874	0	793,717	2,110,591
Vocational Education and Other Education	2,702,100	0	919,400	3,621,500
Community Development	4,300,140	5,387,768	6,518,161	16,206,069
Energy and Enterprise Development	840,000	0	50,000	890,000
Housing	500,000	0	0	500,000
Local Development District Planning and Administration	573,000	0	7,333	580,333
Research and Technical Assistance	455,903	0	113,634	569,537
Total	**$14,259,628**	**$5,393,768**	**$11,183,204**	**$30,836,600**

Georgia

Population
(in thousands)

	1970	1980	Percentage of Change 1970-80
State Total	**4,587.9**	**5,464.3**	**19.1%**
Total of Counties in Appalachia	**813.8**	**1,103.9**	**35.6%**
Banks	6.8	8.7	27.4%
Barrow	16.9	21.3	26.3
Bartow	32.9	40.8	23.8
Carroll	45.4	56.3	24.1
Catoosa	28.3	37.0	30.8
Chattooga	20.5	21.9	6.4
Cherokee	31.1	51.7	66.5
Dade	9.9	12.3	24.3
Dawson	3.6	4.8	31.2
Douglas	28.7	54.6	90.4
Fannin	13.4	14.7	10.4
Floyd	73.7	79.8	8.2
Forsyth	16.9	28.0	65.2
Franklin	12.8	15.2	18.8
Gilmer	9.0	11.1	24.1
Gordon	23.6	30.1	27.6
Gwinnett	72.3	166.9	130.7
Habersham	20.7	25.0	20.9
Hall	59.4	75.6	27.3
Haralson	15.9	18.4	15.7
Heard	5.4	6.5	21.8
Jackson	21.1	25.3	20.1
Lumpkin	8.7	10.8	23.3
Madison	13.5	17.7	31.3
Murray	13.0	19.7	51.6
Paulding	17.5	26.0	48.6
Pickens	9.6	11.7	21.1
Polk	29.7	32.4	9.2
Rabun	8.3	10.5	25.7
Stephens	20.3	21.8	7.0
Towns	4.6	5.6	23.5
Union	6.8	9.4	37.9
Walker	50.7	56.5	11.4
White	7.7	10.1	30.7
Whitfield	55.1	65.8	19.4

County figures for 1970 are from the 1970 Census: figures for 1980 are from the 1980 Census of Population, *Advance Reports*, Georgia (PHC80-V 12), tabulated by ARC staff and data systems.



Bill Blanton

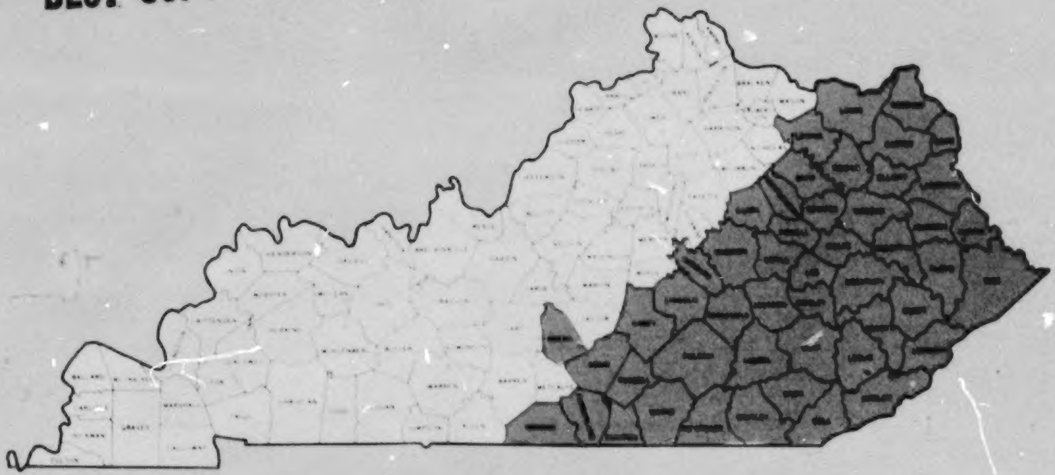
Bill Blanton

Carrollton, Georgia, has a long history of economic growth, aided by such attractions as the man-made 308-acre Lake Carroll (ABOVE) and the Carrollton industrial park (RIGHT) with its well-equipped truck terminal.

Project Totals Approved in Fiscal Year 1980

Program Category	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Health	$1,419,695	$ 10,000	$ 1,089,091	$ 2,518,786
Child Development	768,467	404,422	426,780	1,599,669
Vocational Education and Other Education	2,163,864	0	2,948,903	5,112,767
Community Development	2,818,280	21,816,011	10,465,304	35,099,595
Energy and Enterprise Development	277,650	156,135	286,417	720,202
Other Programs and Special Demonstrations	56,000	90,748	81,889	228,637
Housing	442,495	0	14,165	456,660
Local Development District Planning and Administration	453,882	0	47,001	500,883
Research and Technical Assistance	46,516	0	3,472	49,988
Total	**$8,446,849**	**$22,477,316**	**$15,363,022**	**$46,287,187**

Kentucky

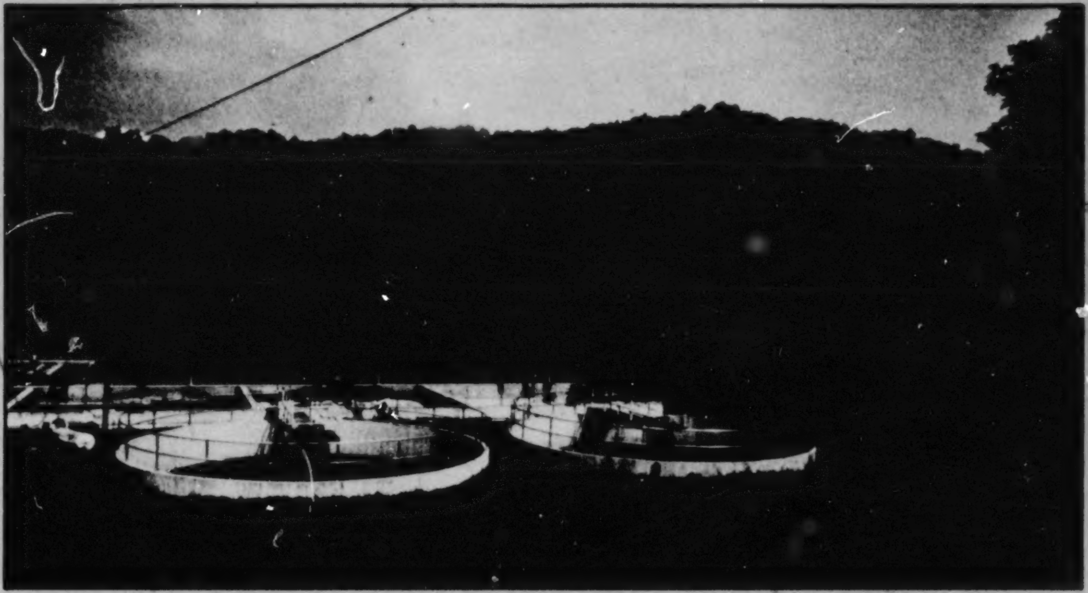


Population
(in thousands)

	1970	1980	Percentage of Change 1970-80
State Total	3,220.7	3,661.4	13.7%
Total of Counties in Appalachia	876.5	1,077.1	22.9%
Adair	13.0	15.2	16.8%
Bath	9.2	10.0	8.6
Bell	31.1	34.3	10.3
Boyd	52.4	55.5	6.0
Breathitt	14.2	17.0	19.6
Carter	19.8	25.1	26.2
Casey	12.9	14.8	14.6
Clark	24.1	28.3	17.6
Clay	18.5	22.8	23.1
Clinton	8.2	9.3	14.0
Cumberland	6.8	7.3	6.4
Elliott	5.9	6.9	16.4
Estill	12.8	14.5	13.7
Fleming	11.4	12.3	8.4
Floyd	35.9	48.8	35.9
Garrard	9.5	10.9	14.8
Green	10.4	11.0	6.7
Greenup	33.2	39.1	17.9
Harlan	37.4	41.9	12.1
Jackson	10.0	12.0	19.9
Johnson	17.5	24.4	39.3
Knott	14.7	17.9	22.1
Knox	23.7	30.2	27.6
Laurel	27.4	39.0	42.3
Lawrence	10.7	14.1	31.7
Lee	6.6	7.8	17.7
Leslie	11.6	14.9	28.0
Letcher	23.2	30.7	32.5
Lewis	12.4	14.5	17.7
Lincoln	16.7	19.1	14.3
McCreary	12.5	15.6	24.6
Madison	42.7	53.4	24.9
Magoffin	10.4	13.5	29.4
Martin	9.4	13.9	48.5
Menifee	4.0	5.1	26.3
Monroe	11.6	12.4	6.1
Montgomery	15.4	20.0	30.5
Morgan	10.0	12.1	20.8
Owsley	5.0	5.7	13.7
Perry	26.3	33.8	28.6
Pike	61.1	81.1	32.9
Powell	7.7	11.1	44.1
Pulaski	35.2	45.8	30.0
Rockcastle	12.3	14.0	13.6
Rowan	17.0	19.0	12.0
Russell	10.5	13.7	30.0
Wayne	14.3	17.0	19.3
Whitley	24.1	33.4	38.3
Wolfe	5.7	6.7	18.2

County figures for 1970 are from the 1970 Census; figures for 1980 are from the 1980 Census of Population, *Advance Reports*, Kentucky (PHC80-V-19), tabulated by ARC staff and data systems.

Robert Rathe



Kenneth Murray

(LEFT) Electronics graduates from Ashland State Vocational-Technical School usually have no trouble finding jobs. (ABOVE) Coal severance funds made it possible to connect Prestonsburg's Highlands Regional Medical Center to this modern sewage treatment plant.

Project Totals Approved in Fiscal Year 1980

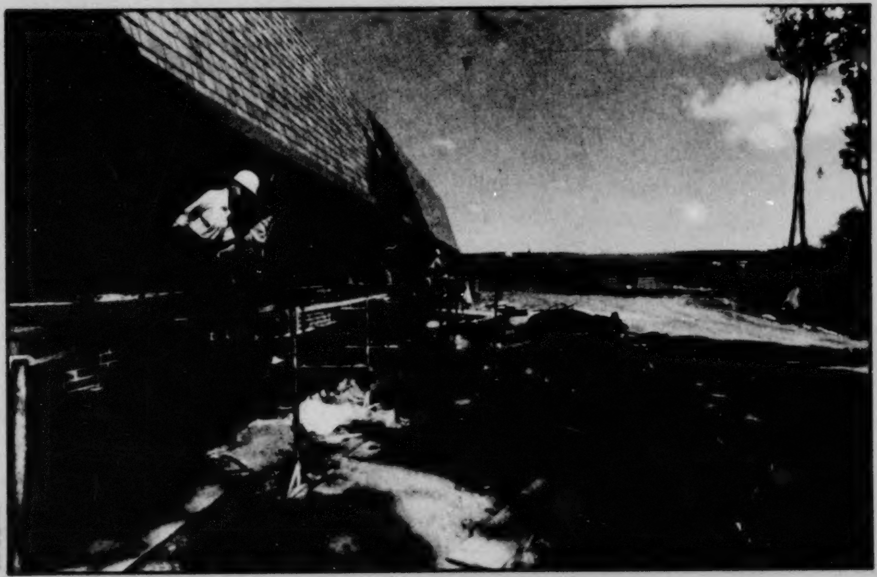
Program Category	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Health	$ 1,016,631	$ 0	$ 347,311	$ 1,363,942
Child Development	169,396	2,630	203,634	375,660
Vocational Education and Other Education	556,239	0	366,380	922,619
Community Development	4,598,401	20,256,300	10,849,363	35,704,064
Energy and Enterprise Development	234,083	0	113,364	347,447
Environment and Natural Resources	330,000	400,000	0	730,000
Other Programs and Special Demonstrations	63,159	79,400	37,896	180,455
Housing	2,670,000	0	0	2,670,000
Local Development District Planning and Administration	769,000	0	253,000	1,022,000
Research and Technical Assistance	75,000	0	25,000	100,000
Total	**$10,481,909**	**$20,738,330**	**$12,195,948**	**$43,416,187**

Maryland

Population
(in thousands)

	1970	1980	Percentage of Change 1970-80
State Total	**3,923.9**	**4,216.4**	**7.5%**
Total of Counties in Appalachia	**209.3**	**220.1**	**5.2%**
Allegany	84.0	80.5	-4.2%
Garrett	21.5	26.5	23.4
Washington	103.8	113.1	8.9

County figures for 1970 are from the 1970 Census; figures for 1980 are from the 1980 Census of Population, *Advance Reports* Maryland (PHC80-V-22), tabulated by ARC staff and data systems.



Bill Blanton

Construction of retirement homes like these near Frostburg attracts people to western Maryland.

An ARC-assisted nonprofit consortium offers emergency medical services to 31 rural counties in Maryland, West Virginia and Pennsylvania.

Robert Rathe

Project Totals Approved in Fiscal Year 1980

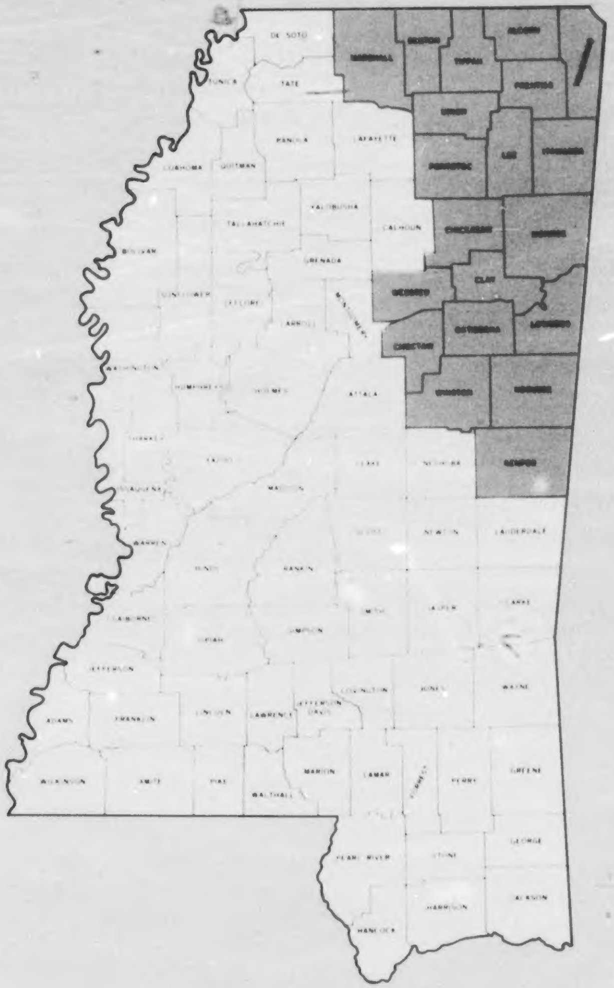
Program Category	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Health	$1,715,857	$ 0	$ 997,356	$2,713,213
Child Development	311,000	257,927	313,948	882,875
Vocational Education and Other Education	555,686	1,200	144,710	701,596
Community Development	1,927,190	121,200	563,595	2,611,985
Energy and Enterprise Development	155,000	0	80,650	235,650
Housing	691,000	379,580	10,000	1,080,580
Local Development District Planning and Administration	108,000	0	43,922	151,922
Research and Technical Assistance	48,204	0	16,068	64,272
Total	**$5,511,937**	**$759,907**	**$2,170,249**	**$8,442,093**

Mississippi

Population
(in thousands)

	1970	1980	Percentage of Change 1970-80
State Total	**2,217.0**	**2,520.6**	**13.7%**
Total of Counties in Appalachia	**418.6**	**482.7**	**15.3%**
Alcorn	27.2	33.0	21.5%
Benton	7.5	8.2	8.6
Chickasaw	16.8	17.9	6.2
Choctaw	8.4	9.0	6.6
Clay	18.8	21.1	11.9
Itawamba	16.8	20.5	21.8
Kemper	10.2	10.1	-.8
Lee	46.1	57.1	23.6
Lowndes	49.7	57.3	15.3
Marshall	24.0	29.3	21.9
Monroe	34.0	36.4	6.9
Noxubee	14.3	13.2	-7.5
Oktibbeha	28.8	36.0	25.3
Pontotoc	17.4	20.9	20.5
Prentiss	20.1	24.0	19.3
Tippah	15.9	18.7	18.2
Tishomingo	14.9	18.4	23.4
Union	19.1	21.7	13.9
Webster	10.0	10.3	2.5
Winston	18.4	19.5	5.8

County figures for 1970 are from the 1970 Census; figures for 1980 are from the 1980 Census of Population, *Advance Reports*, Mississippi (PHC80-V-26), tabulated by ARC staff and data systems.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SUNFLOWER
LEFLORE
CARROLL
MONTGOMERY
CLAY
LEE
WASHINGTON
HUMPHREYS
HOLMES
ATTALA
SHARKEY
YAZOO
LEAKE
NESHOBA
ISSAQUENA
MADISON
SCOTT
NEWTON
LAUDERDALE
WARREN
HINDS
RANKIN
CLAIBORNE
COPIAH
SIMPSON
SMITH
JASPER
CLARKE
JEFFERSON
COVINGTON
JONES
WAYNE
ADAMS
FRANKLIN
LINCOLN
LAWRENCE
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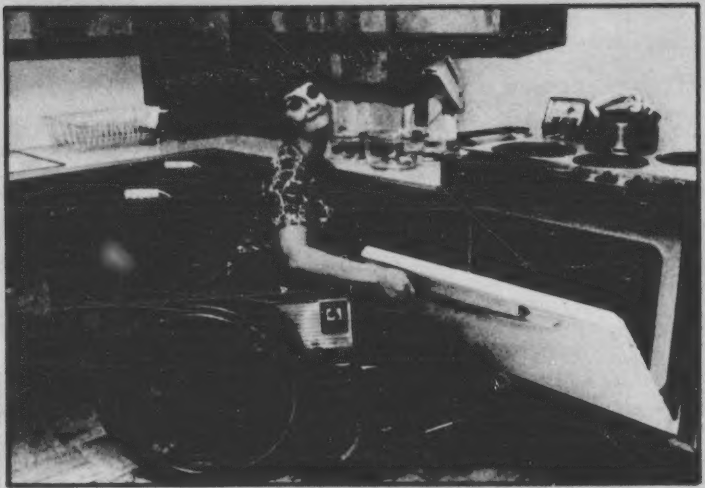


Jessie S. Blackburn

(ABOVE) Mrs. Bernie Conrad learned basic homemaking skills in the Regional Rehabilitation Center in Tupelo. (RIGHT) ARC funds helped finance the site development costs of these townhouses in Corinth.

Kenneth Murray

Project Totals Approved in Fiscal Year 1980

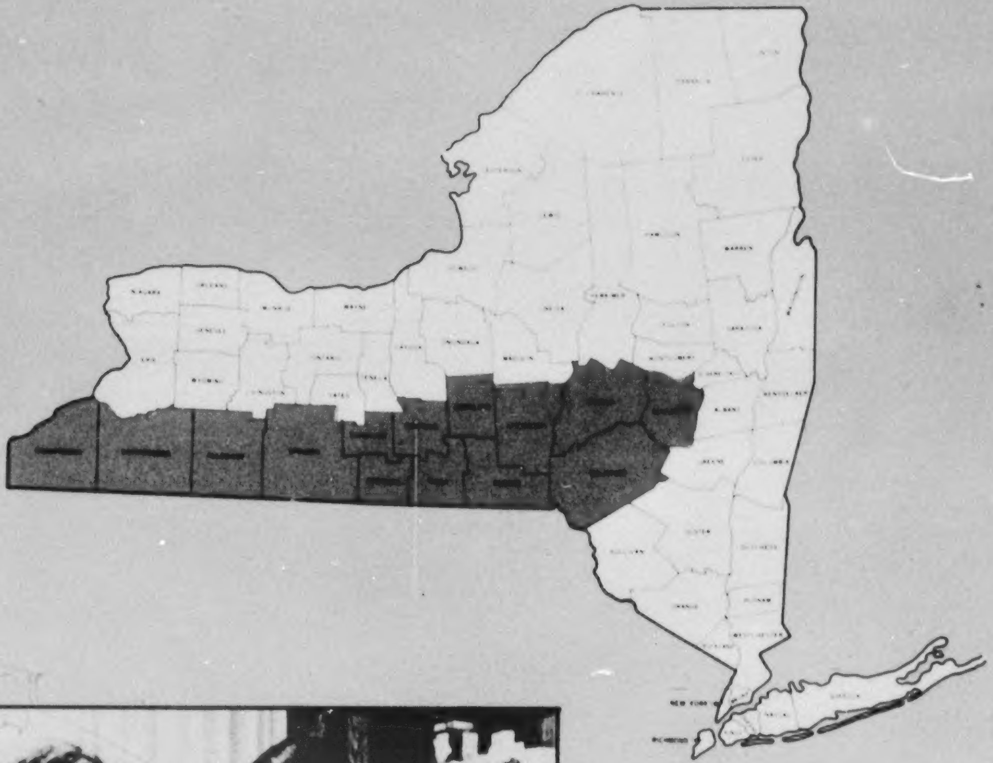
Program Category	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Health	$1,318,454	$ 50,000	$ 391,398	$ 1,759,852
Child Development	713,625	1,093,973	786,551	2,594,149
Vocational Education and Other Education	2,514,765	57,500	734,152	3,306,417
Community Development	1,484,621	2,098,868	1,545,136	5,128,625
Energy and Enterprise Development	825,935	0	15,000	840,935
Housing	65,785	0	0	65,785
Local Development District Planning and Administration	338,995	0	120,980	459,975
Research and Technical Assistance	201,315	0	0	201,315
Total	**$7,463,495**	**$3,300,341**	**$3,593,217**	**$14,357,053**

New York

Population
(in thousands)

	1970	1980	Percentage of Change 1970-80
State Total	**18,241.4**	**17,557.3**	**-3.8%**
Total of Counties of Appalachia	**1,056.6**	**1,083.3**	**2.5%**
Allegany	46.5	51.7	11.4%
Broome	221.8	213.6	-3.7
Cattaraugus	81.7	85.7	4.9
Chautauqua	147.3	146.9	-.3
Chemung	101.5	97.7	3.8
Chenango	46.4	49.3	6.4
Cortland	45.9	48.8	6.4
Delaware	44.7	46.9	4.9
Otsego	56.2	59.1	5.2
Schoharie	24.8	29.7	20.0
Schuyler	16.7	17.7	5.7
Steuben	99.5	99.1	-.4
Tioga	46.5	49.8	7.1
Tompkins	77.1	87.1	13.0

County figures for 1970 are from the 1970 Census; figures for 1980 are from the 1980 Census of Population, *Advance Reports*, New York (PHC80-V-34), tabulated by ARC staff and data systems.



Robert Beach, The Randolph Register

Josieann Eccles is a physician assistant at the Randolph Health Center.

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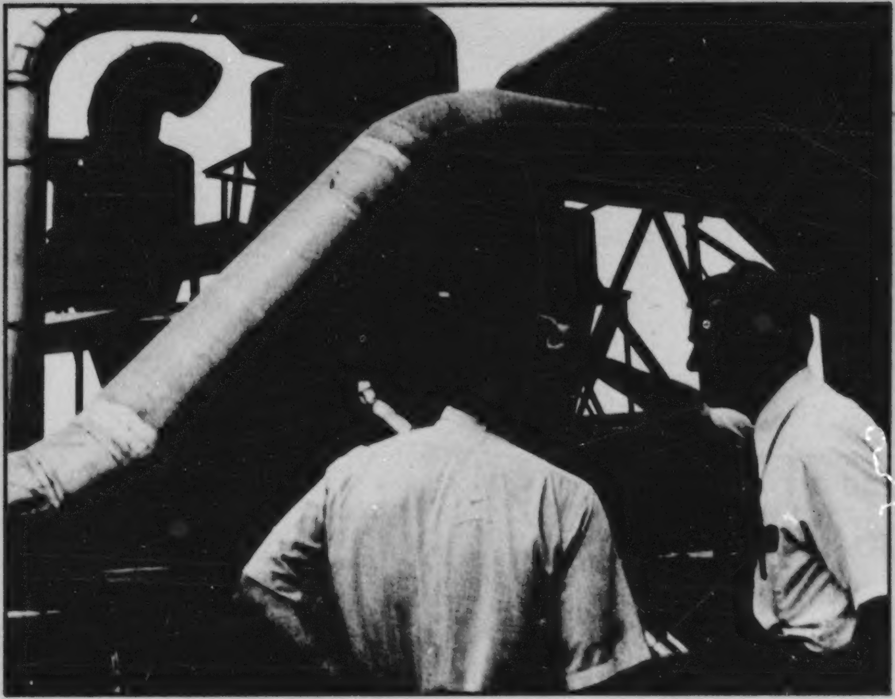
Broome County Chamber of Commerce

BROOME COUNTY INDUSTRIAL INCUBATOR
NEW JOBS


Egon Weck

(ABOVE) The county industrial development agency offers technical assistance to new small businesses locating in Broome County's industrial incubator. (RIGHT) A demonstration energy audit project in Jamestown helped industrial plants find ways to save energy.

Project Totals Approved in Fiscal Year 1980

Program Category	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Health	$ 976,129	$ 252,592	$ 1,188,745	$ 2,417,466
Child Development	925,760	307,121	741,865	1,974,746
Vocational Education and Other Education	695,955	79,252	585,604	1,360,811
Community Development	2,998,879	3,349,470	8,046,311	14,394,660
Energy and Enterprise Development	1,875,376	0	8,474,469	10,349,845
Other Programs and Special Demonstrations	425,488	50,000	167,956	643,444
Housing	310,470	0	0	310,470
Local Development District Planning and Administration	235,000	0	78,335	313,335
Research and Technical Assistance	196,469	0	0	196,469
Total	**$8,639,526**	**$4,038,435**	**$19,283,285**	**$31,961,246**

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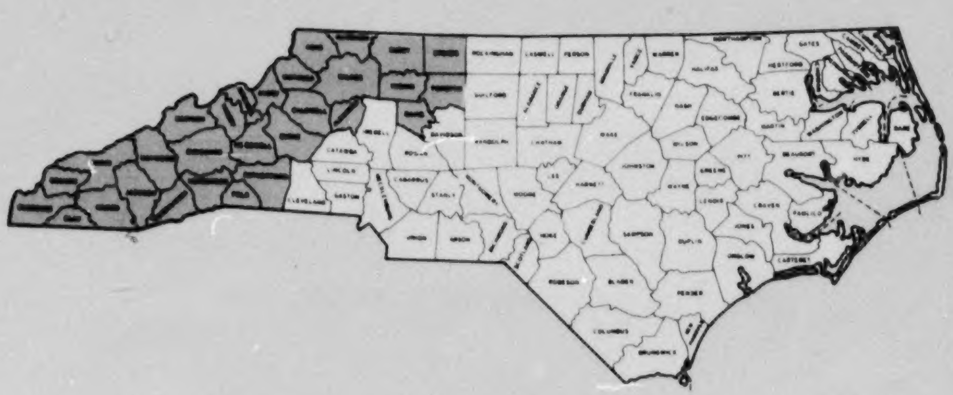
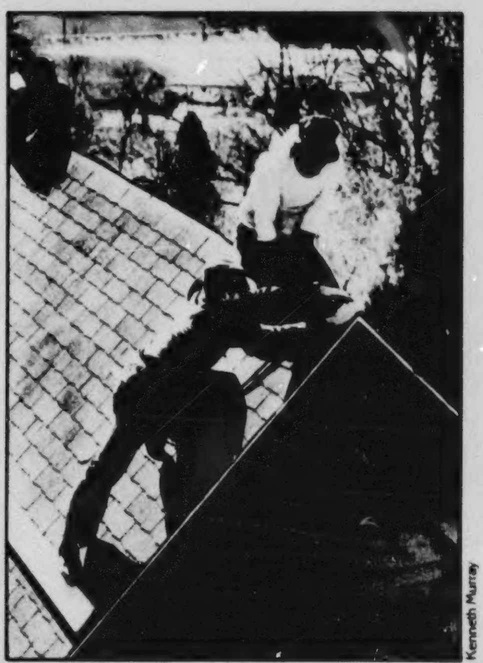
North Carolina



Population
(in thousands)

	1970	1980	Percentage of Change 1970-80
State Total	5,084.4	5,874.4	15.5%
Total of Counties in Appalachia	1,039.0	1,217.7	17.2%
Alexander	19.5	25.0	28.4%
Alleghany	8.1	9.6	17.9
Ashe	19.6	22.3	14.1
Avery	12.7	14.4	13.9
Buncombe	145.1	160.9	10.9
Burke	60.4	72.5	20.1
Caldwell	56.7	67.7	19.5
Cherokee	16.3	18.9	15.9
Clay	5.2	6.6	27.8
Davie	18.9	24.6	30.5
Forsyth	215.1	243.7	13.3
Graham	6.6	7.2	10.0
Haywood	41.7	46.5	11.5
Henderson	42.8	58.6	36.9
Jackson	21.6	25.8	19.5
McDowell	30.6	35.1	14.6
Macon	15.8	20.2	27.8
Madison	16.0	16.8	5.1
Mitchell	13.4	14.4	7.3
Polk	11.7	13.0	10.6
Rutherford	47.3	53.8	13.6
Stokes	23.8	33.1	39.1
Surry	51.4	59.4	15.6
Swain	8.8	10.3	16.4
Transylvania	19.7	23.4	18.8
Watauga	23.4	31.7	35.4
Wilkes	49.5	58.7	18.4
Yadkin	24.6	28.4	15.6
Yancey	12.6	14.9	18.3

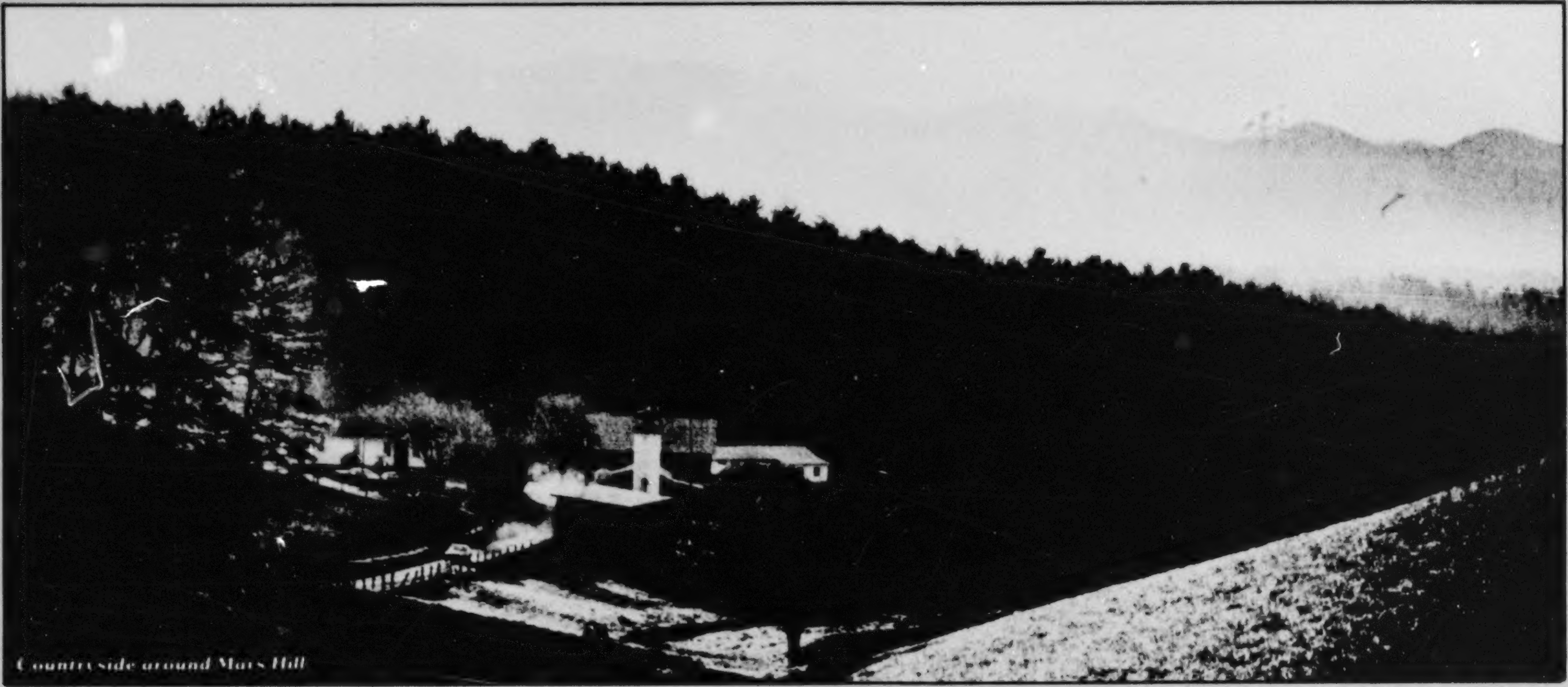
County figures for 1970 are from the 1970 Census; figures for 1980 are from the 1980 Census of Population. *Advance Reports*, North Carolina (PHC80-V-35), tabulated by ARC staff and data systems.



Kenneth Murray

ARC has helped fund housing renovation for low-income residents of Madison County.

130



Countryside around Mars Hill

Kenneth Murray

Project Totals Approved in Fiscal Year 1980

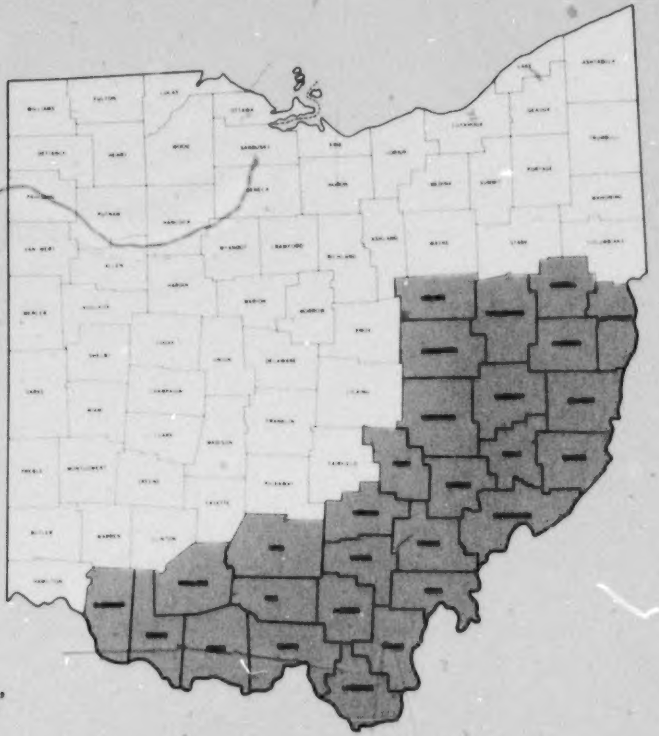
Program Category	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Health	$1,341,837	$ 201,958	$ 806,304	$ 2,350,099
Child Development	1,674,396	1,409,994	2,022,876	5,107,266
Vocational Education and Other Education	1,266,311	31,706	1,374,314	2,672,331
Community Development	2,544,345	3,984,716	5,607,653	12,136,714
Energy and Enterprise Development	472,899	0	391,956	864,855
Environment and Natural Resources	387,235	0	278,809	666,044
Other Programs and Special Demonstrations	100,000	0	369,520	469,520
Housing	1,050,000	0	0	1,050,000
Local Development District Planning and Administration	535,000	0	178,341	713,341
Research and Technical Assistance	250,717	0	16,165	266,882
Total	**$9,622,740**	**$5,628,374**	**$11,045,938**	**$26,297,052**

Ohio

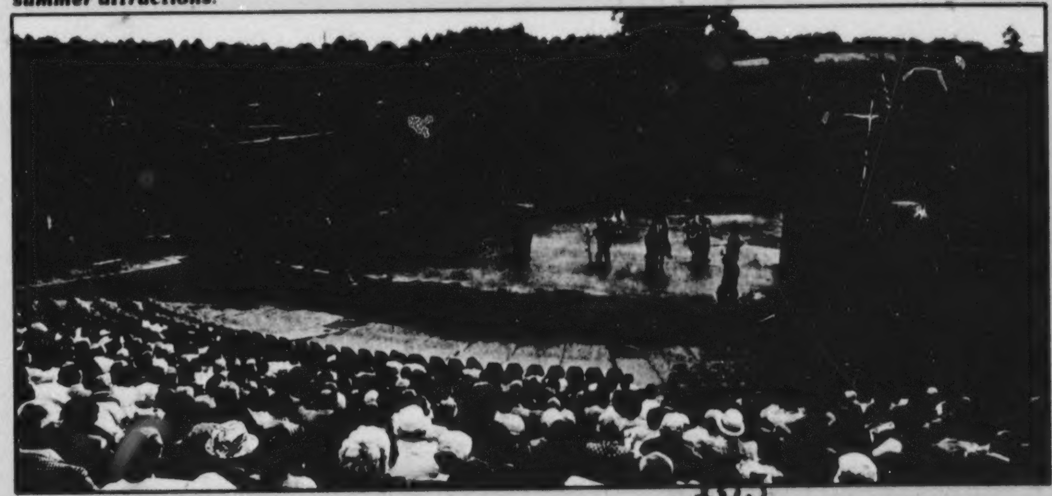
Population
(in thousands)

	1970	1980	Percentage of Change 1970-80
State Total	**10,657.1**	**10,797.4**	**1.3%**
Total of Counties in Appalachia	**1,129.9**	**1,262.6**	**11.7%**
Adams	19.0	24.3	28.3%
Athens	55.7	56.4	1.2
Belmont	80.9	82.6	2.0
Brown	26.6	31.9	19.8
Carroll	21.6	25.6	18.6
Clermont	95.4	128.5	34.7
Coshocton	33.5	36.0	7.6
Gallia	25.2	30.1	19.3
Guernsey	37.7	42.0	11.6
Harrison	17.0	18.2	6.7
Highland	29.0	33.5	15.5
Hocking	20.3	24.3	19.6
Holmes	23.0	29.4	27.8
Jackson	27.2	30.6	12.6
Jefferson	96.2	91.6	-4.8
Lawrence	56.9	63.8	12.3
Meigs	19.8	23.6	19.4
Monroe	15.7	17.4	10.4
Morgan	12.4	14.2	15.1
Muskingum	77.8	83.3	7.1
Noble	10.4	11.3	8.5
Perry	27.4	31.0	13.1
Pike	19.1	22.8	19.3
Ross	61.2	65.0	6.2
Scioto	77.0	84.5	9.9
Tuscarawas	77.2	84.6	9.6
Vinton	9.4	11.6	23.0
Washington	57.2	64.3	12.4

County figures for 1970 are from the 1970 Census; figures for 1980 are from the 1980 Census of Population. *Advance Reports*, Ohio (PHC80-V-37), tabulated by ARC staff and data systems.



The outdoor drama "Trumpet in the Land" is one of New Philadelphia's big summer attractions.



Robert Laurie

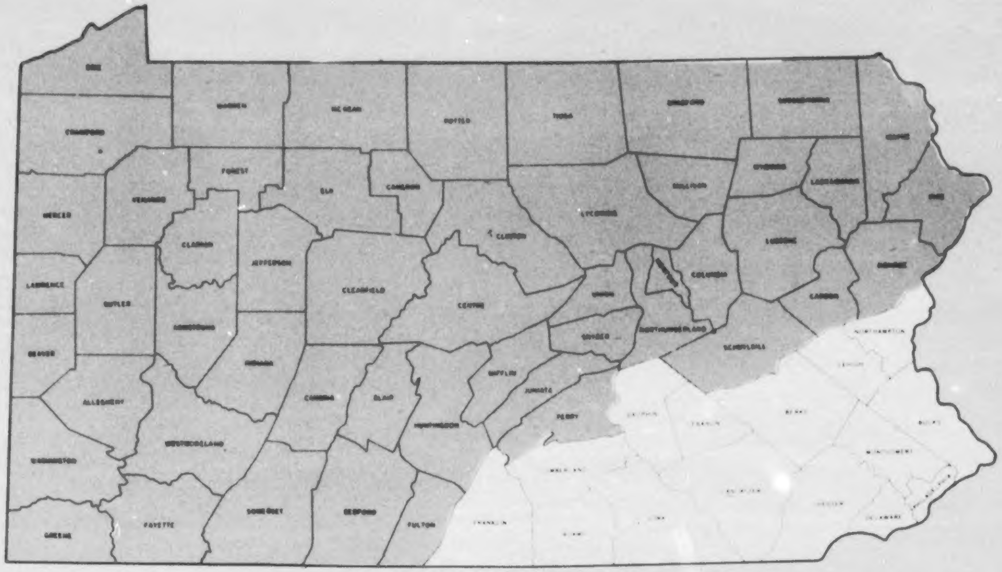
Egon Weck

Ohio's Feeder Livestock Marketing Program helps improve the management and marketing practices of farmers in six counties.

Project Totals Approved in Fiscal Year 1980

Program Category	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Health	$2,985,200	$ 32,474	$2,963,432	$ 5,981,106
Child Development	1,890,267	919,673	1,250,200	4,060,140
Vocational Education and Other Education	1,189,160	71,585	936,309	2,197,054
Community Development	1,418,270	1,330,500	2,616,296	5,365,066
Energy and Enterprise Development	484,730	0	16,868	501,598
Environment and Natural Resources	70,000	0	0	70,000
Housing	1,019,785	0	0	1,019,785
Local Development District Planning and Administration	234,000	0	100,780	334,780
Research and Technical Assistance	109,050	0	1,750	110,800
Total	**$9,400,462**	**$2,354,232**	**$7,885,635**	**$19,640,329**

Pennsylvania

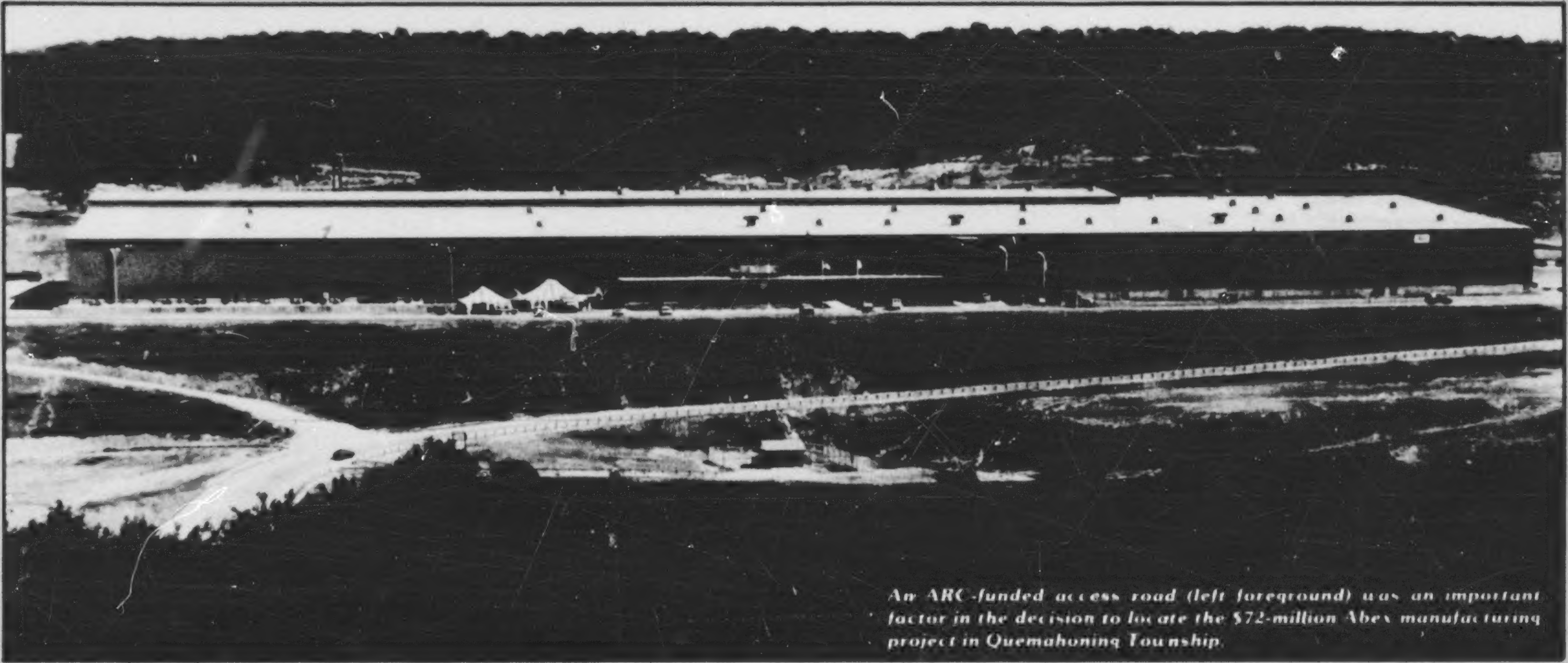


Population

(in thousands)

	1970	1980	Percentage of Change 1970-80
State Total	**11,800.8**	**11,866.7**	**0.6%**
Total of Counties	**5,930.5**	**5,995.1**	**1.1%**
Allegheny	1,605.1	1,450.1	-9.7%
Armstrong	75.6	77.8	2.9
Beaver	208.4	204.4	-1.9
Bedford	42.4	46.8	10.5
Blair	135.4	136.6	.9
Bradford	58.0	62.9	8.6
Butler	127.9	147.9	15.6
Cambria	186.8	183.3	-1.9
Cameron	7.1	6.7	-5.9
Carbon	50.6	53.3	5.4
Centre	99.3	112.8	13.6
Clarion	38.4	43.4	12.9
Clearfield	74.6	83.6	12.0
Clinton	37.7	39.0	3.3
Columbia	55.1	62.0	12.4
Crawford	81.3	88.9	9.3
Elk	37.8	38.3	1.5
Erie	263.7	279.8	6.1
Fayette	154.7	160.4	3.7
Forest	4.9	5.1	3.0
Fulton	10.8	12.8	19.2
Greene	36.1	40.4	11.8
Huntingdon	39.1	42.3	8.0
Indiana	79.5	92.3	16.1
Jefferson	43.7	48.3	10.5
Juniata	16.7	19.2	14.8
Lackawanna	234.5	227.9	-2.8
Lawrence	107.4	107.2	- .2
Luzerne	342.0	343.1	.3
Lycoming	113.3	118.4	4.5
McKean	51.9	50.6	-2.5
Mercer	127.2	128.3	.8
Mifflin	45.3	46.9	3.6
Monroe	45.4	69.4	52.8
Montour	16.5	16.7	1.0
Northumberland	99.2	100.4	1.2
Perry	28.6	35.7	24.8
Pike	11.8	18.3	54.6
Potter	16.4	17.7	8.1
Schuylkill	160.1	160.6	.3
Snyder	29.3	33.6	14.7
Somerset	76.0	81.2	6.8
Sullivan	6.0	6.3	6.5
Susquehanna	34.3	37.9	10.3
Tioga	39.7	41.0	3.2
Union	28.6	32.9	14.9
Venango	62.4	64.4	3.4
Warren	47.7	47.4	-.5
Washington	210.9	217.1	2.9
Wayne	29.6	35.2	19.1
Westmoreland	376.9	392.3	4.1
Wyoming	19.1	26.4	38.5

County figures for 1970 are from the 1970 Census; figures for 1980 are from the 1980 Census of Population, *Advance Reports*, Pennsylvania (PHC80-V-40), tabulated by ARC staff and data systems.



Egon Weck

An ARC-funded access road (left foreground) was an important factor in the decision to locate the $72-million Abex manufacturing project in Quemahoning Township.

Project Totals Approved in Fiscal Year 1980

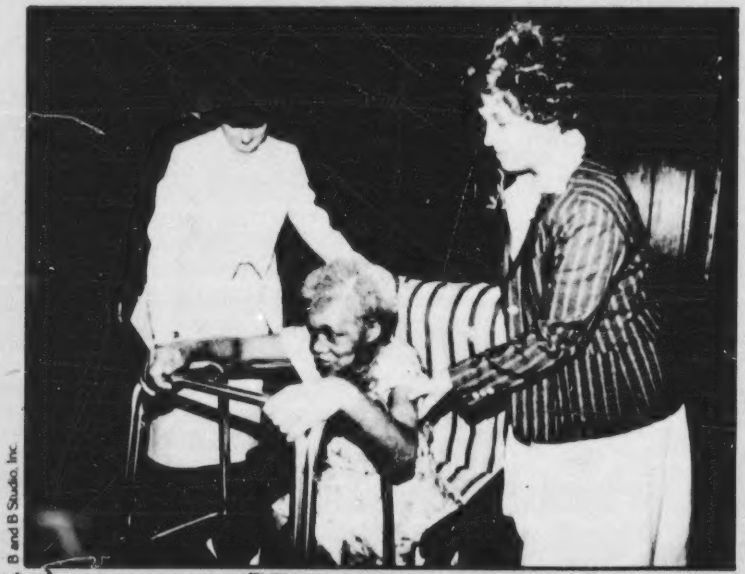
Program Category	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Health	$ 857,255	$ 83,557	$ 701,085	$ 1,641,897
Child Development	1,096,370	49,885	543,590	1,689,845
Vocational Education and Other Education	1,878,245	11,758	3,003,283	4,893,286
Community Development	7,553,473	19,828,315	22,193,056	49,574,844
Energy and Enterprise Development	1,831,750	350,000	828,249	3,009,999
Environment and Natural Resources	1,112,885	400,000	830,799	2,343,684
Other Programs and Special Demonstrations	607,679	293,618	906,049	1,807,346
Housing	800,000	0	0	800,000
Local Development District Planning and Administration	704,937	0	202,691	907,628
Research and Technical Assistance	115,500	0	7,117	122,617
Total	**$16,558,094**	**$21,017,133**	**$29,215,919**	**$66,791,146**

South Carolina

Population
(in thousands)

	1970	1980	Percentage of Change 1970-80
State Total	**2,590.7**	**3,119.2**	**20.4%**
Total of Counties in Appalachia	**656.3**	**791.6**	**20.6%**
Anderson	105.5	133.2	26.3%
Cherokee	36.7	41.0	11.8
Greenville	240.8	287.9	19.6
Oconee	40.7	48.6	19.4
Pickens	59.0	79.3	34.5
Spartanburg	173.7	201.6	16.0

County figures for 1970 are from the 1970 Census; figures for 1980 are from the 1980 Census of Population, *Advance Reports*, South Carolina (PHC80-V-42), tabulated by ARC staff and data systems.


B and B Studio, Inc.

Finding less expensive ways than institutionalization to provide long-term care for the aged and ill is the focus of a state demonstration project.

Joan Marcus

Joan Marcus

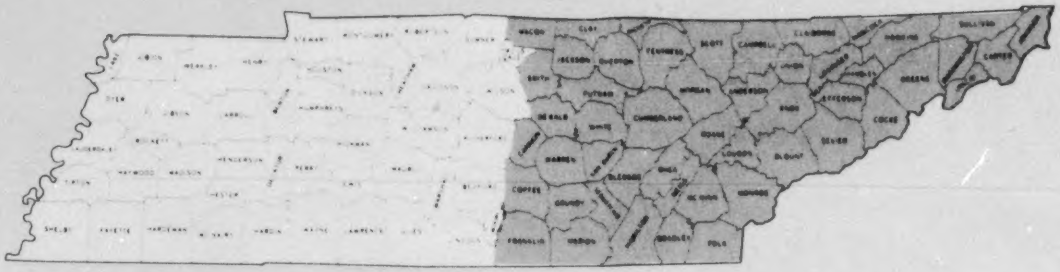
The Tri-County Technical College in Pendleton offers vocational training in many fields where jobs are locally available, such as welding (LEFT) and veterinary assistance (CENTER).

TRI-COUNTY TEC
Tri-County Technical College

Project Totals Approved in Fiscal Year 1980

Program Category	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Health	$1,653,510	$1,376,888	$2,574,558	$ 5,604,956
Child Development	1,120,395	0	789,016	1,909,411
Vocational Education and Other Education	2,110,657	0	760,616	2,871,273
Community Development	3,526,157	1,169,291	4,368,065	9,063,513
Energy and Enterprise Development	13,788	0	3,570	17,358
Local Development District Planning and Administration	176,000	0	58,667	234,667
Research and Technical Assistance	94,977	0	10,000	104,977
Total	**$8,695,484**	**$2,546,179**	**$8,564,492**	**$19,806,155**

Tennessee

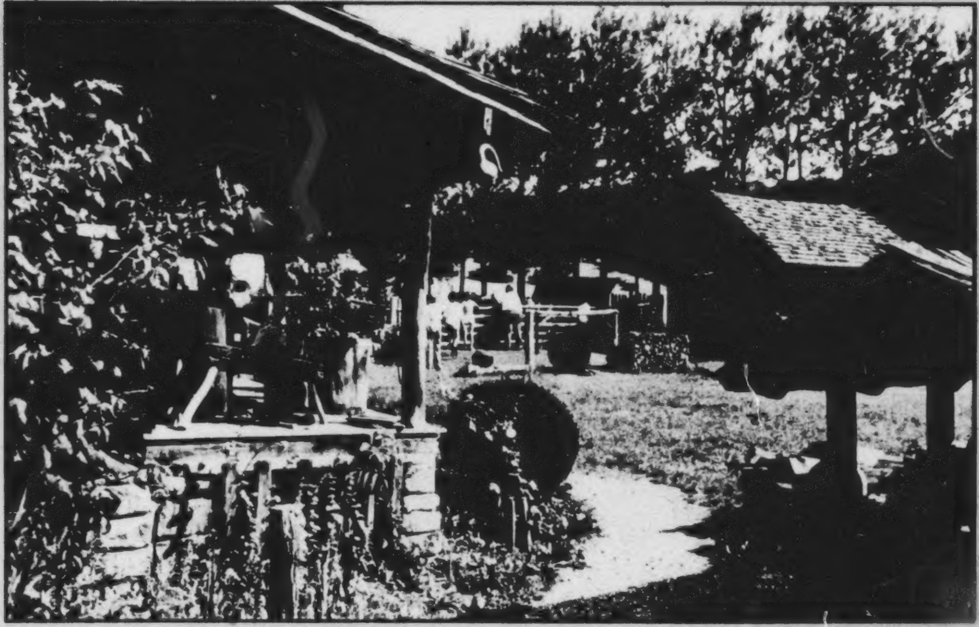


Population
(in thousands)

	1970	1980	Percentage of Change 1970-80
State Total	**3,926.0**	**4,590.8**	**16.9%**
Total of Counties in Appalachia	**1,734.5**	**2,073.6**	**19.6%**
Anderson	60.3	67.3	11.7%
Bledsoe	7.6	9.5	24.0
Blount	63.7	77.8	22.0
Bradley	50.7	67.5	33.3
Campbell	26.0	34.8	33.8
Cannon	8.5	10.2	20.9
Carter	43.3	50.2	16.1
Claiborne	19.4	24.6	26.6
Clay	6.6	7.7	15.9
Cocke	25.3	28.8	13.9
Coffee	32.6	38.3	17.6
Cumberland	20.7	28.7	38.3
DeKalb	11.2	13.6	21.9
Fentress	12.6	14.8	17.7
Franklin	27.3	32.0	17.2
Grainger	13.9	16.8	20.1
Greene	47.6	54.4	14.2
Grundy	10.6	13.8	29.7
Hamblen	38.7	49.3	27.4
Hamilton	255.1	287.7	12.8
Hancock	6.7	6.9	2.5
Hawkins	33.8	43.8	29.6
Jackson	8.1	9.4	15.4
Jefferson	24.9	31.3	25.4
Johnson	11.6	13.7	18.8
Knox	276.3	319.7	15.7
Loudon	24.3	28.6	17.7
Mc Minn	35.5	41.9	18.1
Macon	12.3	15.7	27.5
Marion	20.6	24.4	18.7
Meigs	5.2	7.4	42.4
Monroe	23.5	28.7	22.3
Morgan	13.6	16.6	21.9
Overton	14.9	17.6	18.2
Pickett	3.8	4.4	15.5
Polk	11.7	13.6	16.6
Putnam	35.5	47.6	34.1
Rhea	17.2	24.2	40.9
Roane	38.9	48.4	24.5
Scott	14.8	19.3	30.5
Sequatchie	6.3	8.6	35.9
Sevier	28.2	41.4	46.7
Smith	12.5	14.9	19.4
Sullivan	127.3	144.0	13.1
Unicoi	15.3	16.4	7.3
Union	9.1	11.7	29.0
Van Buren	3.8	4.7	25.8
Warren	27.0	32.7	21.1
Washington	73.9	88.8	20.1
White	16.3	19.6	19.8

County figures for 1970 are from the 1970 Census; figures for 1980 are from the 1980 Census of Population, *Advance Reports*, Tennessee (PHC80-V-44), tabulated by ARC staff and data systems.

Kenneth Murray



Kenneth Murray

The Ferro Manufacturing Company has located in an ARC-assisted industrial park near Pikeville (LEFT). The Museum of Appalachia in Norris (ABOVE) reproduces a typical Appalachian community of bygone days.

Project Totals Approved in Fiscal Year 1980

Program Category	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Cost
Health	$ 402,009	$ 25,000	$ 420,284	$ 847,293
Child Development	195,612	320,944	538,917	1,055,473
Vocational Education and Other Education	215,331	139,150	114,385	468,866
Community Development	11,151,486	4,705,583	11,806,676	27,663,745
Energy and Enterprise Development	348,673	0	148,976	497,649
Environment and Natural Resources	227,479	175,000	91,483	493,962
Other Programs and Special Demonstrations	4,000	0	0	4,000
Housing	315,330	0	0	315,330
Local Development District Planning and Administration	469,999	0	127,601	597,600
Research and Technical Assistance	484,271	0	156,000	640,271
Total	**$13,814,190**	**$5,365,677**	**$13,404,322**	**$32,584,189**

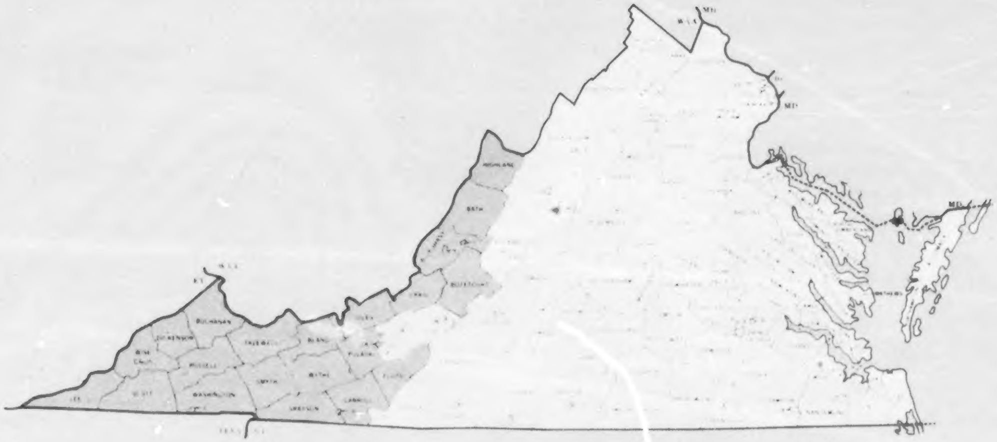
Virginia

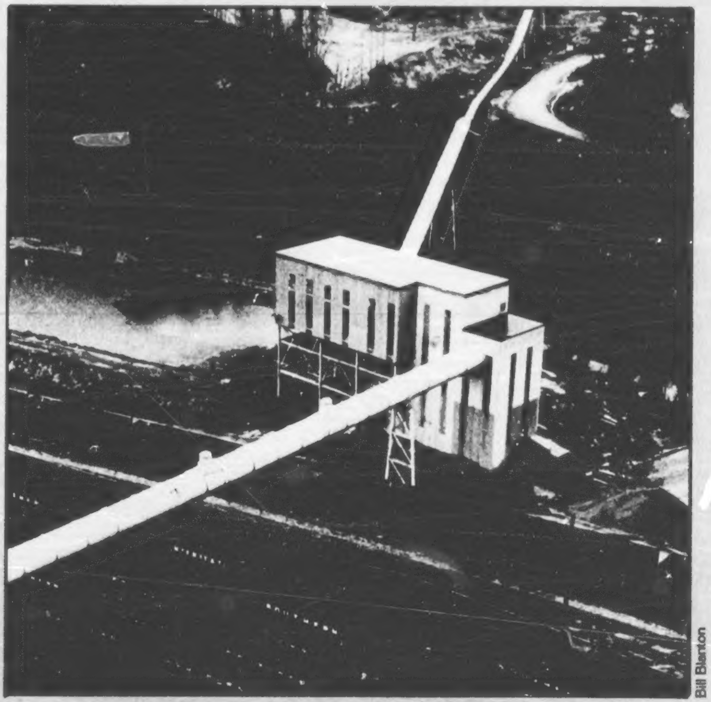
Population

(in thousands)

	1970	1980	Percentage of Change 1970-80
State Total	**4,651.4**	**5,346.3**	**14.9%**
Total of Counties in Appalachia	**470.3**	**549.9**	**16.9%**
Alleghany	12.5	14.3	15.0%
Bath	5.2	5.9	12.9
Bland	5.4	6.3	17.1
Botetourt	18.2	23.3	27.9
Buchanan	32.1	38.0	18.5
Carroll	23.1	27.3	18.1
Craig	3.5	3.9	12.0
Dickenson	16.1	19.8	23.2
Floyd	9.8	11.6	18.3
Giles	16.7	17.8	6.4
Grayson	15.4	16.6	7.4
Highland	2.5	2.9	16.1
Lee	20.3	26.0	27.7
Pulaski	29.6	35.2	19.2
Russell	24.5	31.8	29.5
Scott	24.4	25.1	2.8
Smyth	31.3	33.4	6.4
Tazewell	39.8	50.5	26.9
Washington	36.0	46.5	29.0
Wise	35.9	43.9	22.0
Wythe	22.1	25.5	15.3
Bristol City	19.7	19.0	-3.1
Clifton Forge City	5.5	5.0	-8.3
Covington City	10.1	9.1	-9.9
Galax City	6.3	6.5	3.9
Norton City	4.2	4.8	14.0

County figures for 1970 are from the 1970 Census; figures for 1980 are from the 1980 Census of Population, *Advance Reports*: Virginia (PHC80-V-48), tabulated by ARC staff and data systems.





The Bullitt preparation plant, Stonega Division, Westmoreland Coal Company, in Big Stone Gap.

Bill Blanton

The town of Haysi.

Bill Blanton

Project Totals Approved in Fiscal Year 1980

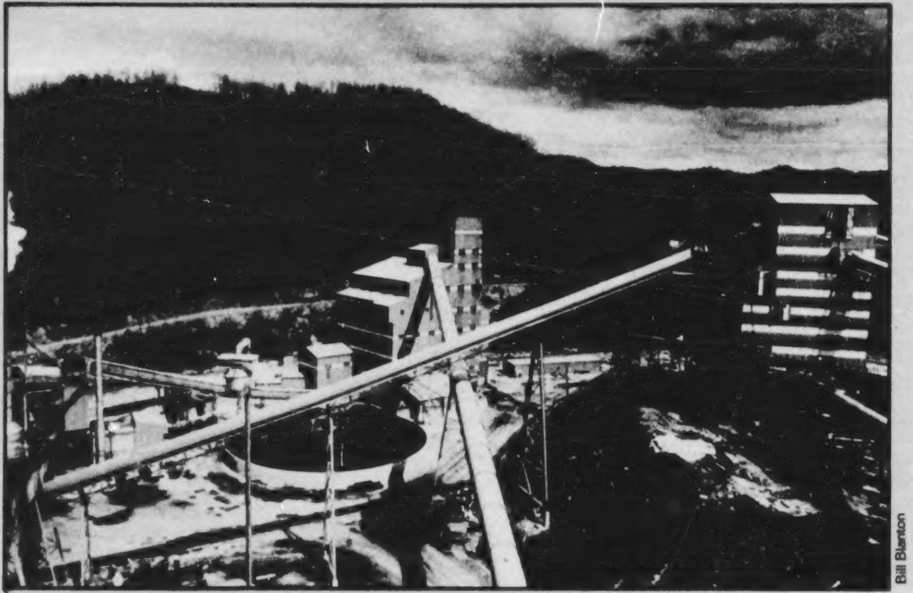
Program Category	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Vocational Education and Other Education	$ 114,077	$ 0	$ 48,528	$ 162,605
Community Development	1,428,100	924,800	1,211,864	3,564,764
Energy and Enterprise Development	361,698	0	0	361,698
Environment and Natural Resources	288,681	400,000	24,319	713,000
Housing	1,886,730	0	150,000	2,036,730
Local Development District Planning and Administration	469,116	0	218,986	688,102
Research and Technical Assistance	160,935	0	0	160,935
Total	**$4,709,337**	**$1,324,800**	**$1,653,697**	**$7,687,834**

West Virginia

Population
(in thousands)

	1970	1980	Percentage of Change 1970-80
State Total	**1,744.2**	**1,949.6**	**11.8%**
Total of Counties in Appalachia	**1,744.2**	**1,949.6**	**11.8%**
Barbour	14.0	16.6	18.6%
Berkeley	36.4	46.8	28.7
Boone	25.1	30.4	21.2
Braxton	12.7	13.9	9.7
Brooke	30.4	31.1	2.2
Cabell	106.9	106.8	-.1
Calhoun	7.0	8.2	17.1
Clay	9.3	11.3	20.7
Doddridge	6.4	7.4	16.3
Fayette	49.3	57.9	17.3
Gilmer	7.8	8.3	7.1
Grant	8.6	10.2	18.6
Greenbrier	32.1	37.7	17.4
Hampshire	11.7	14.9	27.0
Hancock	39.7	40.4	1.7
Hardy	8.9	10.0	13.3
Harrison	73.0	77.7	6.4
Jackson	20.9	25.8	23.4
Jefferson	21.3	30.3	42.4
Kanawha	229.5	231.4	.8
Lewis	17.8	18.8	5.4
Lincoln	18.9	23.7	25.2
Logan	46.3	50.7	9.5
McDowell	50.7	49.9	-1.5
Marion	61.4	65.8	7.2
Marshall	37.6	41.6	10.7
Mason	24.3	27.0	11.3
Mercer	63.2	73.9	17.0
Mineral	23.1	27.2	17.9
Mingo	32.8	37.3	13.9
Monongalia	63.7	75.0	17.8
Monroe	11.3	12.9	14.2
Morgan	8.5	10.7	25.3
Nicholas	22.6	28.1	24.7
Ohio	63.4	61.4	-3.2
Pendleton	7.0	7.9	12.5
Pleasants	7.3	8.2	13.2
Pocahontas	8.9	9.9	11.8
Preston	25.5	30.5	19.7
Putnam	27.6	38.2	38.2
Raleigh	70.1	86.8	23.9
Randolph	24.6	28.7	16.8
Ritchie	10.1	11.4	12.8
Roane	14.1	16.0	13.0
Summers	13.2	15.9	20.1
Taylor	13.9	16.6	19.5
Tucker	7.4	8.7	16.5
Tyloer	9.9	11.3	14.0
Upshur	19.1	23.4	22.7
Wayne	37.6	46.0	22.5
Webster	9.8	12.2	24.8
Wetzel	20.3	21.9	7.7
Wirt	4.2	4.9	18.5
Wood	86.8	93.6	7.9
Wyoming	30.1	36.0	19.6

County figures for 1970 are from the 1970 Census; figures for 1980 are from the 1980 Census of Population, *Advance Reports*, West Virginia (PHC80-V-50), tabulated by ARC staff and data systems.



Bill Blanton

The settling pond at the Beckley no. 2 preparation plant, Ranger Fuel Company, Pittston Group, in Bolt.

JCT
98
Nutter Fort

Max Hirshfeld

The town of Nutter Fort.

Project Totals Approved in Fiscal Year 1980

Program Category	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Health	$ 619,181	$ 0	$ 273,110	$ 892,291
Child Development	1,016,929	202,677	372,089	1,591,695
Vocational Education and Other Education	636,750	0	1,305,844	1,942,594
Community Development	7,114,158	44,086,322	20,091,640	71,292,120
Energy and Enterprise Development	875,000	0	25,000	900,000
Environment and Natural Resources	1,372,420	360,000	360,140	2,092,560
Housing	500,000	0	0	500,000
Local Development District Planning and Administration	734,900	0	285,172	1,020,072
Research and Technical Assistance	44,321	0	4,510	48,831
Total	**$12,913,659**	**$44,648,999**	**$22,717,505**	**$80,280,163**

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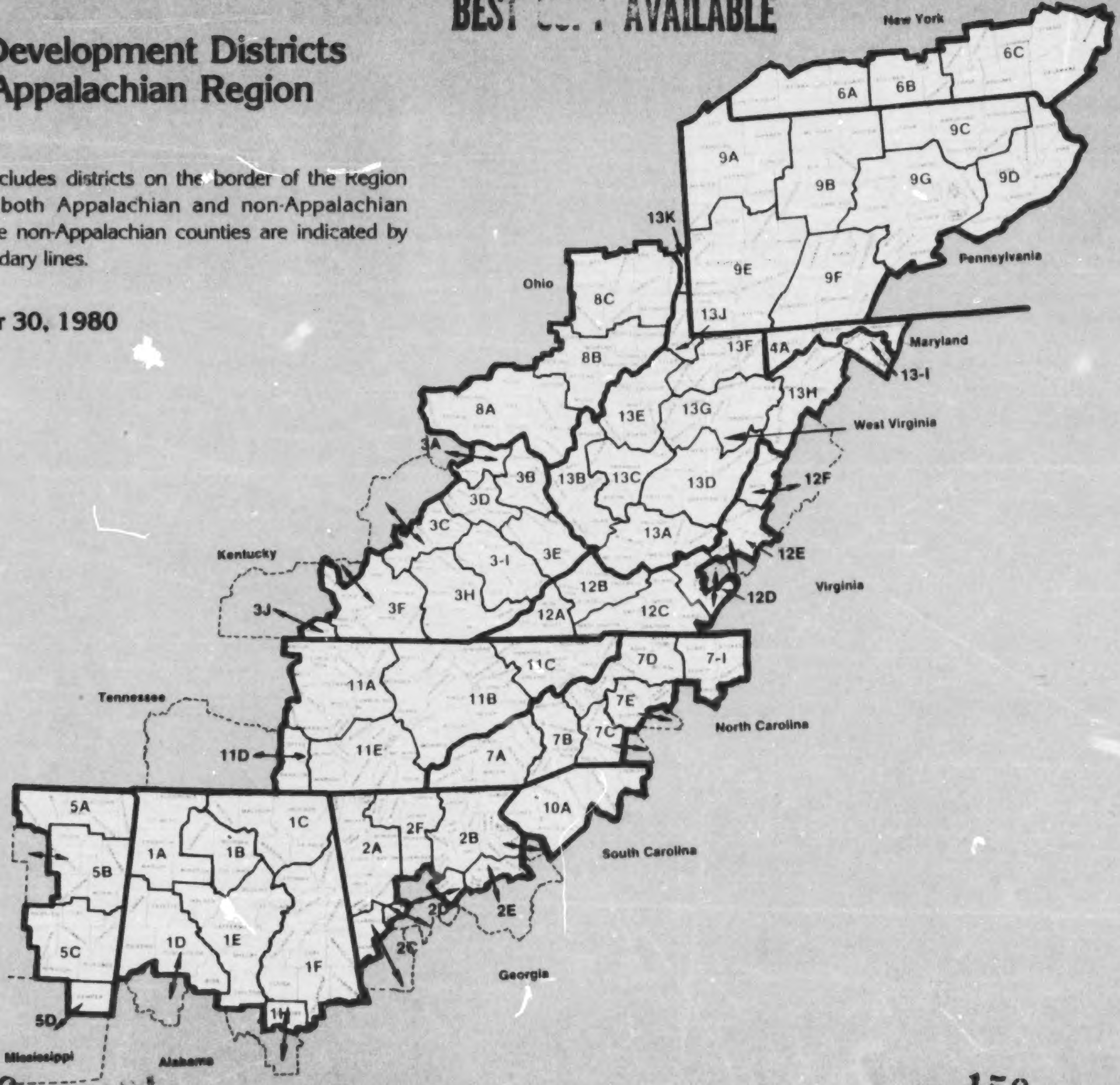
Local Development Districts in the Appalachian Region

This map includes districts on the border of the Region containing both Appalachian and non-Appalachian counties. The non-Appalachian counties are indicated by broken boundary lines.

September 30, 1980


New York
6A
6B
6C
9A
9B
9C
9G
9D
13K
9E
9F
Pennsylvania
Ohio
8C
13J
8B
13F
4A
Maryland
13-I
8A
13E
13G
13H
West Virginia
3A
3B
13B
13C
13D
12F
3D
3C
13A
3E
12E
Kentucky
3-I
3H
12B
12D
Virginia
3J
3F
12A
12C
7D
7-I
11C
11A
11B
7E
Tennessee
7C
North Carolina
11D
11E
7B
7A
5A
1C
10A
2F
1A
1B
2A
2B
South Carolina
5B
2D
2E
5C
1D
1E
2C
1F
Georgia
5D
1H
Mississippi
Alabama

153

159

Local Development Districts

See the map opposite.

Alabama

1A: Northwest Alabama Council of Local Governments
P.O. Box 2603
Muscle Shoals, Alabama 35660
205/383-3861

Counties: Colbert, Franklin, Lauderdale, Marion, Winston

1B: North Central Alabama Regional Council of Governments
P.O. Box C
Decatur, Alabama 35602
205/355-4515

Counties: Cullman, Lawrence, Morgan

1C: Top of Alabama Regional Council of Governments
350 Central Bank Bldg.
Huntsville, Alabama 35801
205/533-3330

Counties: DeKalb, Jackson, Limestone, Madison, Marshall

1D: West Alabama Planning and Development Council
Tuscaloosa Municipal Airport
Terminal Building, 2nd Floor
North Port, Alabama 35476
205/345-5545

Counties: Bibb, Fayette, Lamar, Pickens, Tuscaloosa (Greene, Hale)

1E: Birmingham Regional Planning Commission
2112 Eleventh Avenue, South
Birmingham, Alabama 35205
205/251-8139

Counties: Blount, Chilton, Jefferson, St. Clair, Shelby, Walker

1F: East Alabama Regional Planning and Development Commission
P.O. Box 2186
Anniston, Alabama 36201
205/237-6741

Counties: Calhoun, Chambers, Cherokee, Clay, Cleburne, Coosa, Etowah, Randolph, Talladega, Tallapoosa

1H: Central Alabama Regional Planning and Development Commission
808 S. Lawrence Street
Montgomery, Alabama 36104
205/262-7316

Counties: Elmore (Autauga, Montgomery)

Georgia

2A: Coosa Valley Area Planning and Development Commission
3 Broad Street, P.O. Drawer H
Rome, Georgia 30161
404/295-6485

Counties: Bartow, Catoosa, Chattooga, Dade, Floyd, Gordon, Haralson, Paulding, Polk, Walker

2B: Georgia Mountains Planning and Development Commission
P.O. Box 1720
Gainesville, Georgia 30503
404/536-3431

Counties: Banks, Dawson, Forsyth, Franklin, Habersham, Hall, Lumpkin, Rabun, Stephens, Towns, Union, White (Hart)

2C: Chattahoochee-Flint Area Planning and Development Commission
P.O. Box 1363
LaGrange, Georgia 30240
404/882-2956

Counties: Carroll, Heard (Coweta, Meriwether, Troup)

2D: Atlanta Regional Commission
Suite 200
230 Peachtree Street, N.W.
Atlanta, Georgia 30303
404/656-7700

Counties: Douglas, Gwinnett (Clayton, Cobb, DeKalb, Fulton, Rockdale)

2E: Northeast Georgia Area Planning and Development Commission
305 Research Drive
Athens, Georgia 30601
404/548-3141

Counties: Barrow, Jackson, Madison (Clarke, Elbert, Greene, Morgan, Oconee, Oglethorpe, Walton)

2F: North Georgia Area Planning and Development Commission
503 W. Waugh Street
Dalton, Georgia 30720
404/259-2300

Counties: Cherokee, Fannin, Gilmer, Murray, Pickens, Whitfield

Note: Parentheses indicate non-Appalachian counties and independent cities included with the development districts.

Kentucky

3A: Buffalo Trace Area Development District, Inc.
723 West Second Street
Maysville, Kentucky 41056
606/564-6894

Counties: Fleming, Lewis (Bracken, Mason, Robertson)

3B: FIVCO Area Development District
Boyd County Courthouse
P.O. Box 636
Catlettsburg, Kentucky 41129
606/739-5191

Counties: Boyd, Carter, Elliott, Greenup, Lawrence

3C: Bluegrass Area Development District, Inc.
3220 Nicholasville Road
Lexington, Kentucky 40503
606/272-6656

Counties: Clark, Estill, Garrard, Lincoln, Madison, Powell (Anderson, Bourbon, Boyle, Fayette, Franklin, Harrison, Jessamine, Mercer, Nicholas, Scott, Woodford)

3D: Gateway Area Development District, Inc.
P.O. Box 107
Owingsville, Kentucky 40360
606/674-6355

Counties: Bath, Menifee, Montgomery, Morgan, Rowan

3E: Big Sandy Area Development District, Inc.
Tourist Information Center
Prestonsburg, Kentucky 41653
606/886-2374

Counties: Floyd, Johnson, Magoffin, Martin, Pike

3F: Lake Cumberland Area Development District, Inc.
P.O. Box 377
Jamestown, Kentucky 42629
502/343-3154

Counties: Adair, Casey, Clinton, Cumberland, Green, McCreary, Pulaski, Russell, Wayne (Taylor)

3H: Cumberland Valley Area Development District, Inc.
CVADD Bldg.
London, Kentucky 40741
606/864-7391

Counties: Bell, Clay, Harlan, Jackson, Knox, Laurel, Rockcastle, Whitley

3I: Kentucky River Area Development District, Inc.
P.O. Box 986
Hazard, Kentucky 41701
606/436-3158

Counties: Breathitt, Knott, Lee, Leslie, Letcher, Owsley, Perry, Wolfe

3J: Barren River Area Development District, Inc.
P.O. Box 2120
Bowling Green, Kentucky 42101
502/781-2381

Counties: Monroe (Allen, Barren, Butler, Edmonson, Hart, Logan, Metcalfe, Simpson, Warren)

Maryland

4A: Tri-County Council for Western Maryland, Inc.
Room 228, County Office Building
3 Pershing Street
Cumberland, Maryland 21502
301/777-2160

Counties: Allegany, Garrett, Washington

Mississippi

5A: Northeast Mississippi Planning and Development District
P.O. Box 6D
Booneville, Mississippi 38829
601/728-6248

Counties: Alcorn, Benton, Marshall, Prentiss, Tippah, Tishomingo

5B: Three Rivers Planning and Development District
99 Center Ridge Drive
Pontotoc, Mississippi 38863
601/489-2415

Counties: Chickasaw, Itawamba, Lee, Monroe, Pontotoc, Union (Calhoun, Lafayette)

5C: Golden Triangle Planning and Development District
P.O. Drawer DN
Mississippi State, Missippi 39762
601/325-3855

Counties: Choctaw, Clay, Lowndes, Noxubee, Oktibbeha, Webster, Winston

5D: East Central Mississippi Planning and Developoment District
410 Decatur Street
Newton, Mississippi 39345
601/683-2007

Note: Parentheses indicate non-Appalachian counties and independent cities included with the development districts.

Counties: Kemper (Clarke, Jasper, Lauderdale, Leake, Neshoba, Newton, Scott, Smith)

New York

6A: Southern Tier West Regional Planning and Development Board
41 Main Street
Salamanca, New York 14779
716/945-5301

Counties: Allegany, Cattaraugus, Chautauqua

6B: Southern Tier Central Regional Planning and Development Board
53½ Bridge Street
Corning, New York 14830
607/962-3021 and 962-5092

Counties: Chemung, Schuyler, Steuben

6C: Southern Tier East Regional Planning and Development Board
84 Court Street
Binghamton, New York 13901
607/724-1327

Counties: Broome, Chenango, Cortland, Delaware, Otsego, Schoharie, Tioga, Tompkins

North Carolina

7A: Southwestern North Carolina Planning and Economic Development Commission
P.O. Drawer 850
Bryson City, North Carolina 28713
704/488-2117 and 2118

Counties: Cherokee, Clay, Graham, Jackson, Macon, Swain, Haywood

7B: Land-of-Sky Regional Council
P.O. Box 2175
Asheville, North Carolina 28802
704/254-8131

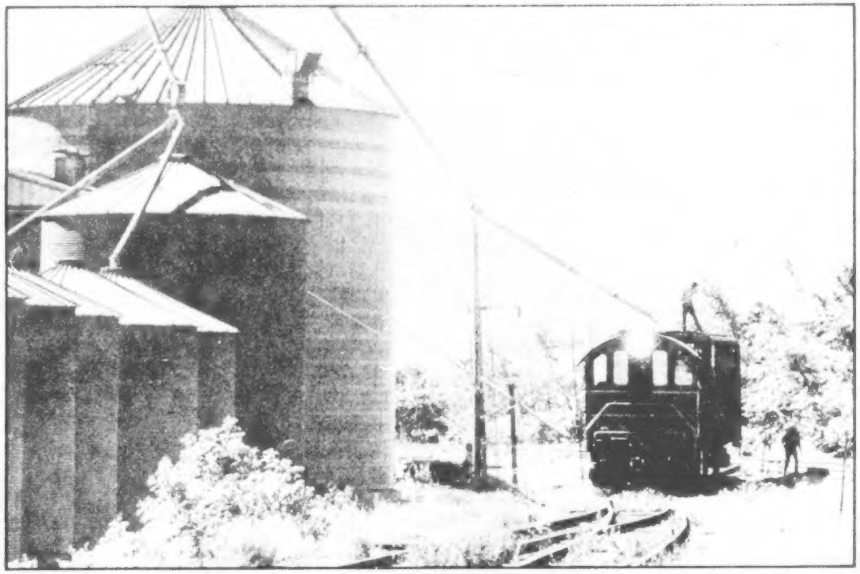
Counties: Buncombe, Henderson, Madison, Transylvania

7C: Isothermal Planning and Development Commission
P.O. Box 841
Rutherfordton, North Carolina 28139
704/287-2281

Counties: McDowell, Polk, Rutherfordton (Cleveland)

7D: Region D Council of Governments
P.O. Box 1820
Boone, North Carolina 28607
704/264-5558

Counties: Alleghany, Ashe, Avery, Mitchell, Watauga, Wilkes, Yancey



William Kuykendall

The Steuben County, New York, industrial development agency has purchased the short Bath-to-Wayland railway line, with ARC assistance, because local shippers need its transportation services.

7E: Western Piedmont Council of Governments
30 Third Street, N.W.
Hickory, North Carolina 28601
704/322-9191

Counties: Alexander, Burke, Caldwell (Catawba)

7I: Northwest Piedmont Council of Governments
280 South Liberty Street
Winston-Salem, North Carolina 27101
919/722-9346

Counties: Davie, Forsyth, Stokes, Surry, Yadkin

Note: Parentheses indicate non-Appalachian counties and independent cities included with the development districts.

Ohio

8A: Ohio Valley Regional Development Commission
Griffin Hall
740 Second Street
Portsmouth, Ohio 45662
614/354-7795

Counties: Adams, Brown, Clermont, Gallia, Highland, Jackson, Lawrence, Pike, Ross, Scioto, Vinton

8B: Buckeye Hills-Hocking Valley Regional Development District, Inc.
216 Putnam Street
St. Clair Bldg., Suite 410
Marietta, Ohio 45750
614/374-9436

Counties: Athens, Hocking, Meigs, Monroe, Morgan, Noble, Perry, Washington

8C: Ohio Mid-Eastern Governments Association
P.O. Box 130
Cambridge, Ohio 43725
614/439-4471

Counties: Belmont, Carroll, Coshocton, Guernsey, Harrison, Holmes, Jefferson, Muskingum, Tuscarawas

Pennsylvania

9A: Northwest Pennsylvania Regional Planning and Development Commission
Biery Building, Suite 406
Franklin, Pennsylvania 16323
814/437-3024

Counties: Clarion, Crawford, Erie, Forest, Lawrence, Mercer, Venango, Warren

9B: North Central Pennsylvania Regional Planning and Development Commission
P.O. Box 377
Ridgway, Pennsylvania 15853
814/773-3162

Counties: Cameron, Clearfield, Elk, Jefferson, McKean, Potter

9C: Northern Tier Regional Planning and Development Commission
122 Center Street
Towanda, Pennsylvania 18848
717/265-9103

Counties: Bradford, Sullivan, Susquehanna, Tioga, Wyoming

9D: Economic Development Council of Northeastern Pennsylvania
P.O. Box 777
Avoca, Pennsylvania 18641
717/655-5581

Counties: Carbon, Lackawanna, Luzerne, Monroe, Pike, Schuylkill, Wayne

9E: Southwestern Pennsylvania Economic Development District
Park Building, Room 1411
355 Fifth Avenue
Pittsburgh, Pennsylvania 15222
412/391-1240

Counties: Allegheny, Armstrong, Beaver, Butler, Fayette, Greene, Indiana, Washington, Westmoreland

9F: Southern Alleghenies Planning and Development Commission
1506 - 11th Avenue, Suite 100
Altoona, Pennsylvania 16601
814/946-1641

Counties: Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset

9G: SEDA-COG
R.D. No. 1
Lewisburg, Pennsylvania 17837
717/524-4491

Counties: Centre, Clinton, Columbia, Juniata, Lycoming, Mifflin, Montour, Northumberland, Snyder, Union (Perry)*

South Carolina

10A: South Carolina Appalachian Council of Governments
Piedmont East, Suite 500
Drawer 6668, 37 Villa Road
Greenville, South Carolina 29606
803/242-9733

Counties: Anderson, Cherokee, Greenville, Oconee, Pickens, Spartanburg

Tennessee

11A: Upper Cumberland Development District
Burgess Falls Road
Cookeville, Tennessee 38501
615/432-4111

Counties: Cannon, Clay, Cumberland, DeKalb, Fentress, Jackson, Macon, Overton, Pickett, Putnam, Smith, Van Buren, Warren, White

Note: Parentheses indicate non-Appalachian counties and independent cities included with the development districts.

*Geographically in SEDA-COG, administratively in Capitol Regional Planning and Development Agency in Harrisburg.

11B: East Tennessee Development District
P.O. Box 19806
Knoxville, Tennessee 37919
615/584-8553

Counties: Anderson, Blount, Campbell, Claiborne, Cocke, Grainger, Hamblen, Jefferson, Knox, Loudon, Monroe, Morgan, Roane, Scott, Sevier, Union

11C: First Tennessee-Virginia Development District
207 N. Boone Street
Johnson City, Tennessee 37601
615/928-0224

Counties: Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi, Washington; Washington County, Virginia

11D: South Central Tennessee Development District
805 Nashville Highway
Columbia, Tennessee 38401
615/381-2040

Counties: Coffee, Franklin (Bedford, Giles, Hickman, Lawrence, Lewis, Lincoln, Marshall, Maury, Moore, Perry, Wayne)

11E: Southeast Tennessee Development District
423 James Building
735 Broad Street
Chattanooga, Tennessee 37402
615/266-5781

Counties: Bledsoe, Bradley, Grundy, Hamilton, McMinn, Marion, Meigs, Polk, Rhea, Sequatchie

Kenneth Murray

The mountains of southwestern North Carolina, near Waynesville.

Virginia

12A: LENOWISCO Planning District Commission
U.S. #58-421W
Duffield, Virginia 24244
703/431-2206

Counties: Lee, Scott, Wise, City of Norton

12B: Cumberland Plateau Planning District
P.O. Box 548
Lebanon, Virginia 24266
703/889-1778

Counties: Buchanan, Dickenson, Russell, Tazewell

12C: Mount Rogers Planning District Commission
1021 Terrace Drive
Marion, Virginia 24354
703/783-5103

Counties: Bland, Carroll, Grayson, Smyth, Washington, Wythe, Cities of Bristol and Galax

12D: New River Valley Planning District Commission
P.O. Box 3726
Radford, Virginia 24141
703/639-9313

Counties: Floyd, Giles, Pulaski (Montgomery and City of Radford)

12E: Fifth Planning District Commission
P.O. Drawer 2569
Roanoke, Virginia 24010
703/343-4417

Counties: Alleghany, Botetourt, Craig and Cities of Clifton Forge and Covington (Roanoke County and Cities of Roanoke and Salem)

Note: Parentheses indicate non-Appalachian counties and independent cities included with the development districts.

12F: Central Shenandoah Planning District Commission
P.O. Box 1337
Staunton, Virginia 24401
703/885-5174

Counties: Bath, Highland (Augusta, Rockbridge, Rockingham and Cities of Buena Vista, Harrisonburg, Lexington, Staunton and Waynesboro)

West Virginia

13A: Region 1 Planning and Development Council
P.O. Box 1442
Princeton, West Virginia 24740
304/425-9508

Counties: McDowell, Mercer, Monroe, Raleigh, Summers, Wyoming

13B: Region 2 Planning and Development Council
1221 - 6th Avenue
Huntington, West Virginia 25701
304/529-3357

Counties: Cabell, Lincoln, Logan, Mason, Mingo, Wayne; Boyd County, Kentucky, and Lawrence County, Ohio

13C: BCKP Regional Intergovernmental Council—Region 3
1426 Kanawha Boulevard, East
Charleston, West Virginia 25301
304/344-2541

Counties: Boone, Clay, Kanawha, Putnam

13D: Region 4 Planning and Development Council (Gauley)
500B Main Street
Summersville, West Virginia 26651
304/872-4970

Counties: Fayette, Greenbrier, Nicholas, Pocahontas, Webster

13E: Mid-Ohio Valley Regional Council—Region 5
P.O. Box 247
Parkersburg, West Virginia 26101
304/485-3801

Counties: Calhoun, Jackson, Pleasants, Ritchie, Roane, Tyler, Wirt, Wood

13F: Region 6 Planning and Development Council
201 Deveny Building
Fairmont, West Virginia 26554
304/366-5693

Counties: Doddridge, Harrison, Marion, Monongalia, Preston, Taylor

13G: Region 7 Planning and Development Council
Upshur County Court House
Buckhannon, West Virginia 26201
304/472-6564

Counties: Barbour, Braxton, Gilmer, Lewis, Randolph, Tucker, Upshur

13H: Region 8 Planning and Development Council
P.O. Box 887
Petersburg, West Virginia 26847
304/257-1221

Counties: Grant, Hampshire, Hardy, Mineral, Pendleton

13I: Eastern Panhandle Regional Planning and Development Council—Region 9
121 W. King Street
Martinsburg, West Virginia 25401
304/263-1743

Counties: Berkeley, Jefferson, Morgan

13J: Bel-O-Mar Regional Council and Planning Commission—Region 10
P.O. Box 2086
Wheeling, West Virginia 26003
304/242-1800

Counties: Marshall, Ohio, Wetzel; Belmont County, Ohio

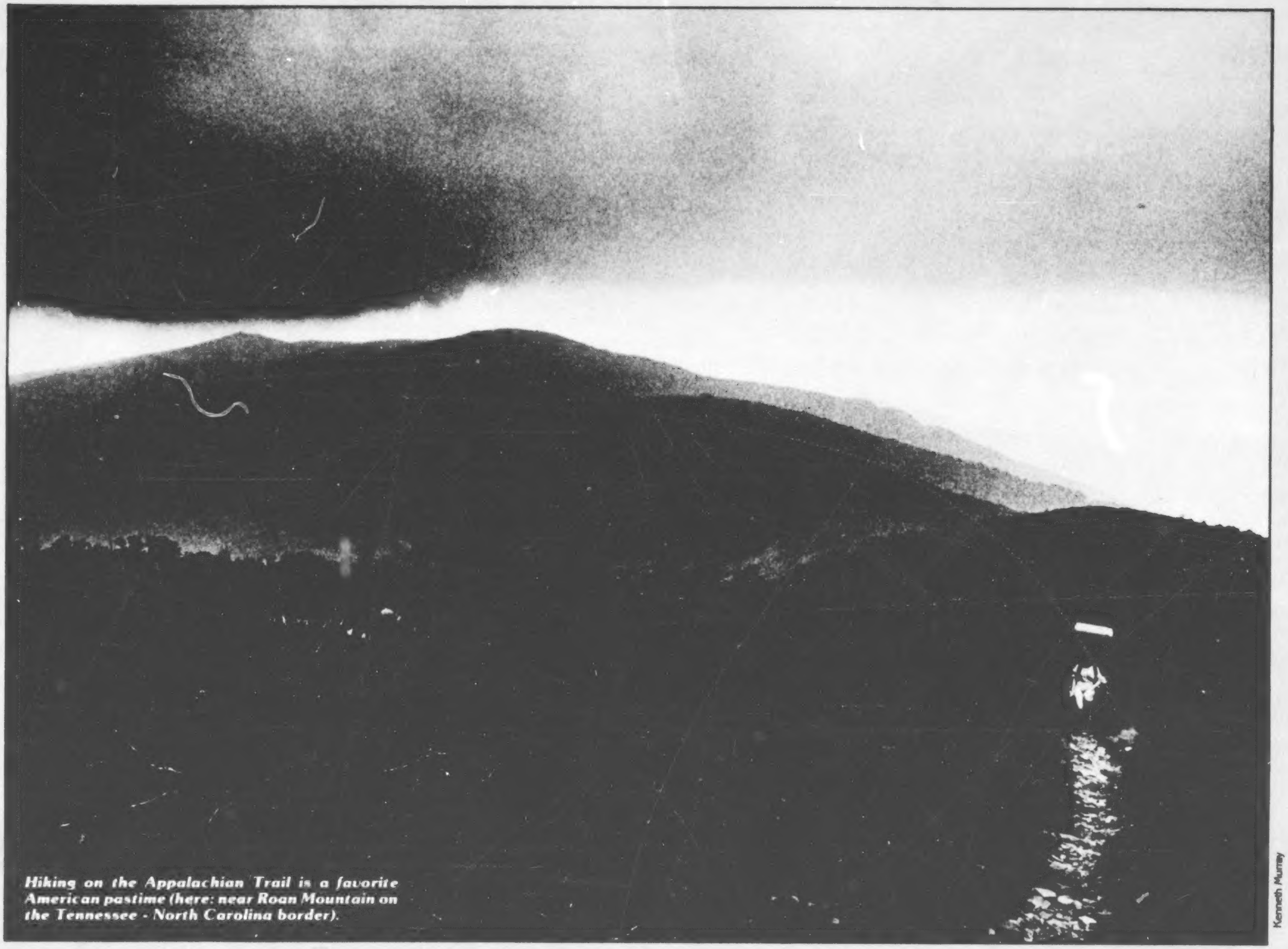
13K: Brooke Hancock Jefferson Metropolitan Planning Commission—Region 11
814 Adams Street
Steubenville, Ohio 43952
614/282-3685

Counties: Brooke, Hancock; Jefferson County, Ohio

Note: Parentheses indicate non-Appalachian counties and independent cities included with the development districts.

Editorial Staff
Elise F. Kendrick, editor
Judith Ballangee, writer
Diane Bowker, editorial assistant

Graphics
Julie Wiatt



Hiking on the Appalachian Trail is a favorite American pastime (here: near Roan Mountain on the Tennessee - North Carolina border).

Kenneth Murray